

GRANTS UNDER CONTRACT MANAGEMENT PLAN

Integrated HIV/AIDS Program in the Democratic Republic of Congo (ProVIC) Project

A grants management plan submitted in fulfillment of the
requirements under Task Order Number GHH-I-00-07-00061-
00, Order Number 03

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form on November 14, 2009

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INTRODUCTION

A. General

This Grants Under Contracts Management Plan for the Integrated HIV/AIDS Program in the Democratic Republic of Congo (ProVIC) Project describes the goals and implementation procedures that shall govern the solicitation, award, and management of grants to be disbursed under the project.

B. Sections of the Plan

This draft plan is divided into three sections:

Section A – *Grant Applicant and Recipient Handbook*. The Handbook describes to prospective applicants and Grantees the procedures, processes, criteria, and other requirements that the Grants Applicant must follow in applying for grants, as well as the responsibilities of the Grantee in implementing the terms and conditions of any grant disbursed by the ProVIC project. This handbook is a “stand alone” document that will be distributed to all Grants Applicants and Recipients to enhance their understanding of the grants program. The Handbook is integral to understanding the overall Grants Management Plan because it contains significant sections of guidance and regulatory wording.

Section B – *Grants Management and Administration Manual*. This Manual describes the internal procedures, processes, criteria, and other requirements that the ProVIC project will follow in the solicitation, award, and management of the grants program. Once a grant has been awarded, the project’s grants management team works with the Grantee to provide it with the required reporting templates and ensures that all reporting requirements and applicable regulations are understood by the Grantee.

Section C – *Mandatory and Required as Applicable Standard Provisions for Non-U.S., Non-governmental Grantees*.

Section D – *In-Kind contribution of goods and direct funding of service providers* – ProVIC project may at times purchase goods directly and contribute them in-kind to the health centers and private organizations. Also, ProVIC project may at times directly fund individuals who provide essential services for the health centers and private organizations. When directly purchasing goods for in-kind contribution and directly funding service providers’ individuals, ProVIC staff will follow PATHs internal procedures, processes, criteria and other requirements that are outlined by PATH headquarters.

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C. Target Audiences.

This Grants Management Plan has been designed for use by the following groups:

- USAID/DRC, which, as the ultimate authority for approval of the Grants Management Plan, should understand the Plan in its entirety to be fully aware of the approach that the Integrated HIV/AIDS Program in the Democratic Republic of Congo project will follow in implementing the grants under contract program.
- The PROVIC grants management team—In particular the four grants managers and the Finance & Administrative specialist who oversees them—must understand the Plan in its entirety to fully comprehend the expectation of USAID/DRC for the grant program implementation, their respective roles in the implementation, and policies, procedures, and documentation that will govern the implementation.
- Applicants and recipients must fully understand Section A – *The Grant Applicant and Recipient Handbook*, to understand the procedures, processes, criteria, and other requirements that Grants Applicants must follow to apply for grants, as well as the responsibilities of Grantees in implementing the terms and conditions of any grant disbursed by the PROVIC Project.
- Finally, all must understand the *Mandatory and Required as Applicable Standard Provisions for Non-US, Non-governmental Grantees*.

The policies and procedures contained in this Grants Management Plan are subject to change, with approval of USAID/DRC. Any questions about the policies and procedures should be directed to the PROVIC Finance & Administrative Specialist.

This Handbook

Purpose of the Handbook—The purpose of this Handbook is to inform prospective grant beneficiaries about pertinent details concerning the Grants Program of the Integrated HIV/AIDS Program in the Democratic Republic of Congo (ProVIC) Project. The project is funded by the United States Agency for International Development (USAID) and implemented by Program for Appropriate Technology in Health (PATH) and its AIDSTAR Consortium partners, Chemonics International Inc., Catholic Relief Services, the Elizabeth Glaser Pediatric AIDS Foundation, and the International HIV/AIDS Alliance. The project's estimated period of performance is October 1, 2009, through September 30, 2014.

This Handbook includes important aspects of apply for, managing, and reporting on grants that may be awarded under the project, including the:

- Eligibility criteria for organizations.
- Process and format for applying for a grant.
- Criteria for evaluating grants for award.
- Responsibilities of grant recipients.
- Processes and other requirements for managing and reporting on grants.

This Handbook is a collection of resources designed to help the grant recipient efficiently manage its grant-funded work. The objectives of this Handbook are to ensure:

- That approved budgets by line item category are not oversubscribed.
- That all property and equipment purchased with ProVIC grants are properly procured, identified, and accounted for.
- The correct completion of the ProVIC Grant Advance Request Form.
- The correct completion of financial and other reports submitted to the ProVIC Project.

This Handbook has been prepared to introduce grant applicants and recipients to the administrative requirements in compliance with USAID regulations. It has been prepared for use by the grant recipient organization's management and financial staff. The Handbook reviews recommended financial management and administrative practices, including internal control procedures.

This Handbook outlines the process for designing, selecting, and disbursing grants. It includes detailed criteria for selecting grant recipients. These criteria include the following principles:

- Requirements for submitting an application, including capacity statements, budget and budget narrative, and past performance.
- Transparent rules and regulations for application review and selection.

- Standardized grant application evaluation criteria, based on a point distribution, which (1) looks at the capacity of the applicant organization to carry out the terms of the application; and (2) assesses the activities on a merit basis.
- Monitoring and evaluation plans.
- Financial and programmatic reporting requirements.
- Certifications and waivers, as required under United States government rules and regulations.
- Financial management and oversight mechanisms for grant administration.
- Appropriate deadlines for application submissions, review, notification, and award of grants.
- Guidance for grants to be closed, including final financial and programmatic reports.
- Established procedures for dealing with a Grantee found to be in default of grant provisions.

Intended Audience of the Handbook—This Handbook is intended for use by any prospective recipient of a grant awarded by the ProVIC Project.

Special, Required Guidelines—This Handbook provides guidelines on financial and administrative controls required for grants awarded under the project. These guidelines will serve as an attachment to the Grant Agreement between the ProVIC Project and the Grantee. Budget and cost accounting are essential tools for monitoring the grant-funded activities. Each Grantee must comply with the provisions included in this Handbook. During the course of the grant, ProVIC will verify an individual Grantee’s compliance through written questionnaires, site visits, independent audits, or by other means. Beneficiaries that do not comply with provisions may have their grants terminated and be required to return any grant funds found to be disallowable.

Questions About the Guidelines—Because USAID is the source of funds of the PATH/ProVIC Grants Program, there are strict requirements attached to the solicitation and management of these funds. Every effort will be made to ensure that prospective grant applicants and beneficiaries fully understand all requirements included in this Handbook.

Before applicants submit applications, a Grants Workshop may be held in the applicants’ region of the country (i.e., either in Bukavu, Kinshasa, Lubumbashi, or Matadi). The purpose of the workshop is to discuss the PATH/ProVIC Grants Program and to answer questions about grant application and management. In addition, following the award of any large grant, a Grantee Orientation Workshop may be held in Bukavu, Kinshasa, Lubumbashi, or Matadi to provide new beneficiaries with training on the management of USAID-funded grants. In cases where no formal Grants Workshop is held, Grantees may receive ad hoc grants management training from the applicable regional Grants Manager. Also, the applicable regional Grants Manager will support the Grantee’s accountant as needed to ensure all documentation is clearly presented and complete.

In addition, the staff of the PATH/ProVIC Project is available during regular business hours, and at other times by appointment, to answer questions about administrative or programmatic issues.

PATH/ProVIC is committed to working with each Grantee to ensure the success of the Grants Program.

Where Applicants and Grantees May Direct Questions—This Grant Applicant and Recipient Handbook is designed to inform prospective PATH/ProVIC Project grant applicants about all aspects of applying for, managing, and reporting on grants that may be awarded under the PATH/ProVIC Project. All aspects of the Grants Program are described, including the eligibility criteria for organizations, the process and format for applying for a grant, the criteria for evaluating grants for award, the responsibilities of grant beneficiaries, and the processes and other requirements for managing and reporting on grants. If you have any questions related to the PATH/ProVIC Project Grants Program or this Grant Applicant and Recipient Handbook, please contact via email, regular mail, telephone, or fax:

PATH/ProVIC Grants Manager, Bukavu

Grant-only email: To be announced

PATH/ProVIC Grants Manager, Kinshasa

Grant-only email: To be announced

PATH/ProVIC Grants Manager, Lubumbashi

Grant-only email: To be announced

PATH/ProVIC Grants Manager, Matadi

Grant-only email: To be announced

Section 1.0

THE GRANTS MANAGEMENT PROGRAM

1.1 PATH/ProVIC Grants Program

The objective of the United States Agency for International Development (USAID)-funded Integrated HIV/AIDS Program in the Democratic Republic of Congo (ProVIC) Project is to reduce the incidence and prevalence of HIV/AIDS and mitigate its impact on people living with HIV/AIDS and their families. This contributes to the United States (US) government's goal in the Democratic Republic of Congo (DRC) to improve basic health conditions for the Congolese people. The grants component of the Program for Appropriate Technology in Health (PATH)/ProVIC Project is a key element in the achievement of the project's objectives.

PATH/ProVIC Objectives

The PATH/ProVIC team will achieve the overall objective by:

- Improving HIV/AIDS prevention, care, and treatment services in the selected areas.
- Increasing community involvement in health issues and services beyond facility-level services through sustainable community-based approaches.
- Increasing the capacity of government and local civil society partners—thereby empowering new local organizations—to plan, manage, and deliver higher-quality HIV/AIDS services.
- Assisting the DRC government to develop, disseminate, and implement evidence-based policies such as counseling and testing, adult care and treatment, and orphans and vulnerable children policies that result in higher-quality services.

A grant is a funding mechanism whereby funds are provided to eligible organizations to carry out activities that are consistent with the objectives of the PATH/ProVIC Project and of its components. Grant funds do not have to be paid back to the PATH/ProVIC Project if the funds are properly used to implement the program, and if the program is implemented in a manner fully consistent with this Handbook.

The PATH/ProVIC Grants Program is designed to fund activities that help achieve the above results through the following categories of grants: Standard Project, Simplified, and Fixed Obligation.

Among other support, PATH/ProVIC provides assistance through the grants to organizations that include:

- HIV counseling and testing (HCT) centers and mobile HCT units.
- Champion communities implementing partners.
- Organizations providing support to people living with HIV/AIDS.
- Organizations providing support to orphans and vulnerable children.

The terms and conditions stipulated in the Grant Agreement executed between the Grantee and the PATH/ProVIC Project are terms and conditions that flow down from the contract between PATH and USAID. They are designed to ensure that the Grantee's implementation and PATH/ProVIC management are in full compliance with USAID and other US government policies and regulations. These terms and conditions generally are non-negotiable. In particular, both the Grantee and the PATH/ProVIC Project must strictly adhere to the Standard Provisions, which govern the Grantee's implementation of its program, the funding of that program, and the resolution of any ambiguities, questions, or disputes that may arise in the course of that program.

1.2 Roles and Definitions

The following definitions are provided to help users interpret PATH/ProVIC guidelines and regulations, and/or prepare appropriate applications. Various sections of this Handbook describe these terms in further detail.

Applicant—A non-US, nongovernmental organization (NGO) applying to PATH/ProVIC for a grant.

Application—A written document in form and substance conforming to the requirements of the Grants Under Contract Management Plan, which outlines in detail the procurement or activities being proposed by an applicant for funding under the PATH/ProVIC Grants Program.

Assistance Award—Financial assistance of which the primary purpose is to provide support or stimulation to accomplish a public purpose. Grants issued by PATH/ProVIC are assistance instruments.

Benchmarks/Milestones—Key programmatic and financial targets that must be met to qualify for initial or subsequent disbursements of PATH/ProVIC grant funds.

Chief of Party—The PATH/ProVIC Chief of Party is the primary representative of the PATH/ProVIC Project in the DRC. In this respect, the Chief of Party approves the PATH/ProVIC Grants Program strategy and terms of grant competition, and chairs the PATH/ProVIC Grants Evaluation Committee for grant awards made under the Grants Program.

Co-funding—Project costs financed with cash contributed or donated to the recipient by other non-US government agencies (may include public international organizations or foreign governments) and institutions, and private organizations and individuals.

Contract—A legally enforceable instrument used to purchase goods and services in exchange for monetary consideration. Contracts are not used for the provision of assistance and are not addressed in this Handbook.

Contracting Officer's Technical Representative (or COTR)—The COTR is the USAID/DRC official responsible for administration of the PATH/ProVIC Project. Depending on the value of the grant, the USAID Contracting Officer will delegate to the COTR the responsibility to make

the final decision on the awarding of a grant. The COTR also receives any periodic reports provided by the applicable regional Grants Manager, in coordination with the Kinshasa-based Grants Manager and the Finance and Administration Specialist, detailing grants that have been awarded, amounts disbursed, and current overall Grants Program status. The COTR maintains a substantial involvement in the grant process, including the formal approval of the grant system and the awards to grant recipients.

Contribution—A contribution of cash or monetized in-kind services or equipment provided by the Grantee organization as a contribution to the overall cost of a grant.

Equipment—For the purposes of this Grants Program, equipment is defined as an article of tangible property that has a useful life of more than one year and an acquisition cost of US\$5,000 or more.

Finance and Administration Specialist—The Finance and Administration Specialist is responsible, together with the PATH/ProVIC Chief of Party and the PATH/ProVIC team, for achieving the objectives of the PATH/ProVIC Grants Program. The Finance and Administration Specialist oversees the four Grants Managers (the one based in Kinshasa and the three based in the three provincial offices), and is a voting member of the Grants Evaluation Committee.

Grantee/Recipient—An organization that has been awarded a grant by PATH/ProVIC after approval by the USAID COTR.

Grant Agreement (also referred to as Agreement or Grant)—A legal instrument that governs allocation of funds and defines roles and responsibilities of the Grantee under the PATH/ProVIC Grants Program. This type of assistance award is used by USAID to provide assistance for a project to achieve a particular goal for a specified period of time and when no substantial programmatic involvement of the funding agency is anticipated or required in the performance of the proposed activities.

Grants Evaluation Committee—The committee of people that meets intermittently to consider grant applications and approve funding, subject to approval by the USAID COTR. Voting Committee members include the PATH/ProVIC Chief of Party, the Finance and Administration Specialist, and the technical specialist relevant to the technical content of a particular grant application. The Kinshasa-based Grants Manager is a non-voting member of the Committee. Material modifications to existing grants must be approved by this Committee. The composition of the Committee may be modified by PATH/ProVIC as the emerging needs of the project warrant.

Grants Managers—The Kinshasa-based and three other regional Grants Managers review applications, draft grant documents for review by USAID, manage and monitor the grants process in collaboration with the Kinshasa- and regionally based Monitoring and Evaluation Specialists, and review and tabulate grant outputs. The Kinshasa-based Grants Manager, or his/her designee, will obtain the approval of USAID/DRC for all PATH/ProVIC grants. In their respective regions, each of the four will supervise grant funds administration and procedures

under the PATH/ProVIC Grants Program. This includes the preparation of funding criteria, Grant Agreements, and other financial documents, and the monitoring of advances and disbursements to Grantees.

Implementation Plan—The document submitted as part of a potential Grantee’s grant application. The implementation plan specifies the applicant’s objectives and milestones of the proposed program that will be implemented using PATH/ProVIC grant funding. It therefore forms the primary source of information for evaluating the application.

PATH Country Representative—The PATH Country Representative serves as PATH’s in-country institutional representative and as an alternative representative of the project. The PATH/ProVIC Chief of Party reports on a day-to-day basis to the PATH Country Representative, who is responsible for monitoring compliance to the approved grant awards, including Grantees’ performance. The Country Representative, in consultation with the Chief of Party, provides oversight and guidance to the project’s technical components that PATH is leading, including the Grants Program.

PATH/ProVIC Project (also referred to as PATH/ProVIC)—The Integrated HIV/AIDS Program in the Democratic Republic of Congo Project is an activity funded by USAID and implemented by PATH and its Consortium partners.

PATH/ProVIC Team—The team of technical specialists working with national, regional, and local organizations. This team helps to identify potential projects and organizations for PATH/ProVIC grant funding, including, but not limited to, identifying and recommending technical studies needed for program and project development, developing technical content and appraisal criteria, and subsequently appraising the viability and cost-effectiveness of the grant applications received. The PATH/ProVIC team will review and evaluate grant outputs.

PATH (Program for Appropriate Technology in Health)—The organization that holds the prime contract with USAID for the PATH/ProVIC Project and the legal principal that will enter into a legally binding Grant Agreement with each grant recipient.

Program Income—Gross income earned by the Grantee that is directly generated by a supported activity or earned as a result of the award, with the exceptions of program income earned after the end of the project period and program income earned from license fees and royalties for copyrighted material, patents, patent applications, trademarks, and inventions produced under an award, unless the terms and conditions of the award provide otherwise. Program income includes, but is not limited to, income from fees for services performed, the use or rental of real or personal property acquired under US Federally funded projects, the sale of commodities or items fabricated under an award, license fees and royalties on patents and copyrights, and interest on loans made with award funds.

Suspension—An action by PATH/ProVIC that temporarily withdraws PATH/ProVIC and USAID sponsorships, in whole or in part, under an award, pending corrective action by the recipient or pending a decision to terminate the award.

Termination—The cancellation of PATH/ProVIC and USAID sponsorships, in whole or in part, under an agreement at any time prior to the date of completion.

United States Agency for International Development in the Democratic Republic of Congo (USAID or USAID/DRC)—USAID provides funds for the PATH/ProVIC Project, approves the form and substance of this Grants Management Plan, and approves grant awards to recipients under the PATH/ProVIC Grants Program.

Value Added Tax (or VAT)—Upon award of a grant or subaward, the ProVIC Project will advise the Grantee or subawardee of the prevailing USAID VAT reporting requirements, as agreed between the government of the DRC and the government of the United States.

1.3 Types of Grants

Three types of grants may be utilized under the PATH/ProVIC Grants Program:

- Standard Project Grant.
- Simplified Grant.
- Fixed Obligation Grant.

The PATH/ProVIC applicable Grants Manager will determine the type of grant to be used, based on the following criteria and the information provided by the Grantee in the Grant Application Form. PATH/ProVIC will also consider the type of grant, size of the award, and the Grantee's financial capability in determining payment terms. Other factors in the decision of which grant instrument is most appropriate include:

- Whether the grant budget includes a Grantee in-kind or cash contribution.
- Whether the applicant's administrative and financial systems are adequate to meet USAID accountability and reporting requirements.
- Whether the applicant requires advances of grant funding, or will be paid on a cost-reimbursement basis.
- US dollar value of the project. (Note: PATH/ProVIC anticipates that the average grant value will not exceed US\$250,000.)
- Whether there will be subgrants under the grant award.
- Whether the grant budget includes indirect costs.
- The total value of any individual grant to any US organization must not exceed US\$100,000, in accordance with USAID ADS (Automated Directives System) 302.3.4.8.b.(1).
- Nature of the grant activity.

Type of grant	Value (US\$)	Payment type	Characteristic
Standard Project	\$25,000– \$250,000	Advance	Advance payments only; may include subawards.
Simplified	\$25,000– \$250,000	Reimbursement	Cost reimbursement; subawards allowed.
Fixed Obligation	\$10,000– \$250,000	Reimbursement	Very specific program elements; no requirement for PATH/ProVIC or USAID to monitor actual costs incurred; supports specific projects where costs are certain and accomplishment of purpose or milestone is readily discernible, such as conferences and supplies.

Standard Project Grant. The Standard Project Grant is one type of grant to be used under the PATH/ProVIC Grants Program. It contains all Mandatory Standard Provisions, as well as Required as Applicable Standard Provisions. The Standard Project Grant format is used if one or more of the following conditions apply:

- A. The recipient requires advances.
- B. PATH/ProVIC funding covers the cost of the entire activity (the grant does not include a contribution or co-funding, although the Grantee may provide an in-kind contribution).
- C. There is no limitation on the maximum or minimum amount of the grant award under the Standard Project Grant.
- D. Nonexpendable equipment with a value of US\$5,000 or more may be authorized by the grant; however, equipment must meet rules on source/origin.
- E. The grant may be incrementally funded.
- F. The grant may include subagreements.
- G. In exceptional cases, the grant budget may include programmatically necessary international travel, but it will require prior USAID authorization.

Increased Grantee financial accountability and reporting accompanies the use of the Standard Project Grant format, as the provision and reconciliation of advances entails somewhat more detailed Grantee financial reporting than under other grant types.

If an applicant or recipient has (1) a history of poor performance, (2) is not financially stable, (3) has a management system that does not meet the standards prescribed in the US government regulations, (4) has not conformed to the terms and conditions of a previous award, or (5) is not otherwise responsible, the PATH/ProVIC Project may impose additional requirements as needed, provided that such applicant or recipient is notified in writing as to:

- 1. The nature of the additional requirements.
- 2. The reason why the additional requirements are being imposed.
- 3. The nature of the corrective action needed.

4. The time allowed for completing the corrective actions.
5. The method for requesting reconsideration of the additional requirements imposed.

Any special conditions will be promptly removed once the conditions that prompted them have been corrected.

Simplified Grant. This type of grant will be used only when the grant meets the following conditions:

- A. The recipient shall receive payment on a reimbursement basis (no advances).
- B. The total of the grant does not exceed US\$250,000.
- C. All costs to be charged to the grant are identified in the grant narrative and budget.
- D. Any goods to be purchased meet the rules governing local cost financing, and no single item having a useful life of more than one year and an acquisition cost of US\$5,000 or more shall be purchased. When equipment and furniture of a higher value than US\$5,000 is authorized, the Required as Applicable Standard Provision entitled “USAID Eligibility Rules for Goods and Services” (September 1998) must be attached to the grant.
- E. Grantee contributions are encouraged but not mandatory for the use of this grant.
- F. The grant may be partially funded.
- G. The grant may include subagreements.
- H. Costs do not include international airfares. However, if USAID provides exceptional, advance authorization for international travel, then the Required as Applicable Standard Provision entitled “International Air Travel and Transportation” (June 1999) must be attached to the grant. These costs are rare and not encouraged under this type of grant mechanism.

Fixed Obligation Grant. The Fixed Obligation Grant format allows for the award of a grant for very specific program elements without a requirement for PATH/ProVIC or USAID monitoring of actual costs incurred in the performance of the grant. PATH/ProVIC will use this type of grant to support specific projects where there is a certainty about the cost, and in which the accomplishment of the purpose or milestone in the grant is readily discernible, such as conferences and supplies.

The structure of payments is important in the Fixed Obligation Grant. Grantees will be paid a set amount upon accomplishment of benchmarks or milestones. Therefore, PATH/ProVIC must be satisfied that the Grantee has sufficient cost history to negotiate the payments, and also to ensure that the funds requested will be the actual cost of the effort so that funds will not be remaining upon completion of the project.

PATH/ProVIC must also be satisfied that the issuance of a Fixed Obligation Grant will fit within the objectives of the Grants Program, and not be used solely as an alternative way to deal with what would be considered otherwise a “high-risk Grantee.” Grant closeout is accomplished with PATH/ProVIC acceptance of the final milestone and approval of payment. PATH/ProVIC may

specifically authorize the use of Fixed Obligation Grants by a Grantee in subgrants when the same standards for application are met.

This type of grant may be used when the grant meets the following conditions:

- A. The recipient shall receive payment on a reimbursement basis (no advances).
- B. The total of the grant does not exceed US\$250,000.
- C. All costs to be charged to the grant are identified in the grant narrative and budget.
- D. Any goods to be purchased meet the rules governing local cost financing, and no single item having a useful life of more than one year and an acquisition cost of US\$5,000 or more shall be purchased. When equipment and furniture of a higher value than US\$5,000 is authorized, the Required as Applicable Standard Provision entitled “USAID Eligibility Rules for Goods and Services” (September 1998) must be attached to the grant.
- E. Programmatic accomplishments or results in establishing grant milestones can be easily identified and quantified.
- F. There is limited risk that there will be changes to the program.
- G. Adequate cost information (historical or unit pricing) is available to determine and negotiate the fixed price of the grant.
- H. Costs do not include international airfares. However, if USAID provides exceptional, advance approval for international travel, then the Required as Applicable Standard Provision entitled “International Air Travel and Transportation” (June 1999) must be attached to the grant. These costs are rare and not encouraged under this type of grant mechanism.

Note: Under the Standard Project, Simplified, and Fixed Obligation Grant formats, the following statements shall be included:

- 1. PATH/ProVIC has the right to terminate in whole or in part, or suspend payments, should the Grantee become insolvent during performance of the award.
- 2. The Grantee must certify in writing to the PATH/ProVIC Project at the end of the grant that the activity was completed. If the Grantee cannot certify completion, then it shall be expected to make appropriate reimbursements to PATH/ProVIC.
- 3. PATH, USAID, and their authorized representatives shall have free access to the Grantee’s books, documents, papers, records, and receipts related to funds disbursed under this Grant Agreement, for the purpose of conducting audits, examinations, and evaluations of the progress in achieving grant objectives.

1.4 Eligibility Requirements

To be eligible for funding under the PATH/ProVIC Grants Program, the applicant must have current legal registration in the DRC, as well as be an institution that provides training, education, services, and/or goods related to the treatment of HIV/AIDS in the DRC. While there is no minimum required Grantee contribution for nonprofit NGOs, there may be negotiations with each Grantee to establish a level of contribution appropriate to the organization’s resources

and the activity in question. For-profit firms that meet the above requirements must be willing to contribute a negotiated percentage of the total cost of the proposed activities, either in cash or in kind.

1.5 Eligible Activities

Funding under the PATH/ProVIC Grants Program shall be used to finance direct local expenses, including, but not limited to:

- The PATH/ProVIC Grants Program is designed to further USAID/DRC's results framework. Execution of grant-funded activities must take place in the DRC and meet the overall objectives of the Office of HIV/AIDS in USAID's Bureau for Global Health and the PATH/ProVIC Grants Programs.
- The proposed activities to be funded under the PATH/ProVIC Grants Program must promote the overall objectives of the PATH/ProVIC Grants Program as set forth in Section 1.1 above.
- The proposed activities to be funded under the PATH/ProVIC Grants Program may be the sole or primary work of an organization, or a special dimension or function of an organization largely dedicated to other projects.
- Grants may cover necessary costs linked to the execution of the activities, such as project staff salaries, experts' fees, training, meetings and seminars, publications, purchase and rental of equipment and furniture, and office and local travel expenses.
- No funding will be awarded or allowed for the ineligible activities listed under Section 1.6 below.
- Project activities can only start after the signing of the Agreement between the applicant and PATH. Costs incurred before the signing of the Agreement will not be reimbursed, unless previously approved in writing by the PATH Finance and Administration Advisor with USAID approval.

1.6 Ineligible Activities and Unallowable Costs

Under the PATH/ProVIC Grants Program, unallowable costs, direct or indirect, include, but are not limited to, the following examples:

- Creation of endowments.
- Any Grantee headquarters' expenses that are not directly linked to implementation of the proposed project.
- Expenses of any training programs other than those integral to achievement of the targets specified in the proposed project.
- Any expenses related to entertainment, parties, celebrations, or "representation."
- Purchase of surveillance equipment, military equipment or arms whether new or surplus, police or law enforcement equipment, abortion equipment and services, weather modification equipment, luxury goods, and/or gambling equipment.
- Purchases of goods or services restricted or prohibited under prevailing USAID source/origin/nationality and other regulations; or from countries or suppliers as may be identified by USAID's consolidated list of debarred, suspended, or ineligible subcontractors. These countries are Cuba, Iraq, Iran, Laos, Libya, North Korea, and Syria.

- Any purchases or activities unnecessary to accomplish grant purposes as determined by the PATH/ProVIC Project.
- Any previous obligations, including those by USAID to the Grantee.
- The bad debts of the Grantee.
- Fines imposed on the Grantee.
- Taxes, including local withholding and employee taxes.
- Losses of grant funds and losses on other awards.
- Advertising.
- Fundraising.
- Investment management costs.
- Penalties imposed on the Grantee.
- International air travel is generally ineligible, except under unusual circumstances and only with specific, advance approval by USAID.
- Other costs unallowable under USAID regulations, as stipulated in this Handbook and the attached Standard Provisions.

Note: Before incurring a questionable or unique cost, the Grantee shall obtain the PATH/ProVIC Project's written determination on whether the cost will be allowable.

1.7 Ineligible Organizations

PATH/ProVIC support may not be extended to the following:

- Political parties, groupings, or institutions or their subsidiaries and affiliates.
- Organizations that advocate, promote, or espouse anti-democratic policies or illegal activities.
- Faith-based organizations whose objectives are for discriminatory and religious purposes, and whose main objective of the grant is of a religious nature.
- Any entity whose name appears on the US government's *List of Parties Excluded from Federal Procurement and Non-procurement Programs*.

1.8 Application Assistance

Because not all applicants are experienced in project development and in applying for assistance, applicants may receive training and technical assistance support from the PATH/ProVIC Project to upgrade their operations and/or organization in order to meet USAID grant requirements. The strengths and weaknesses of the applicant will be assessed, technical assistance or training needs will be identified, and support for overall strengthening of the organization may be provided, as needed. However, assistance in filling out a grant application shall not be financed from funds that may be approved under the grant itself.

1.9 The Application Process

Annex G (Process for Standard Project Grants) and Annex H (Process for Simplified and Fixed Obligation Grants) provide flow charts detailing the entire grant process for each type of grant.

A. Applying for a Grant

An organization may apply for a grant by submitting a concept paper in the format outlined in this Handbook, or by submitting a grant application directly. All grant applications must be submitted in electronic form via email to the PATH/ProVIC Project's email address listed on page A-3 of this Handbook. Applicants may be requested to submit a concept paper (see paragraph A1 below) before submitting a full application.

A1. Concept Papers. Eligible applicants may first submit a two-page concept paper to the project's grant email address containing the following information:

- The purpose and objectives of the organization and the proposed program.
- A general description of who will benefit from the proposed program and the proposed impact on them.
- A description of who will manage the implementation and on what time frame the program will be implemented as an integral part of the applicant's implementation plan.
- An estimate of the total amount of PATH/ProVIC Grants Program funding that will be required to implement the program.
- Elements of the applicant's contribution, in cash and in kind, as well as any other sponsors involved.

A2. Grant Applications. If a concept paper is received, PATH/ProVIC will send a response within 14 days. If PATH/ProVIC requests a full grant application, then the applicant may submit one that must include:

- A completed Grant Application Form (see Annex A) in English or French, and budget forms.
- Copy of the organization's most recent registration certificate in the DRC, or proof that renewal is in process.
- Copy of the organization's charter.
- Copies of the most recent annual financial reports, income/losses statement, and balance sheet.
- Signed copies of the three required certifications (see Annex B):
 1. *Prohibition on Assistance to Drug Traffickers for Key Individuals.*
 2. *Certification Regarding Lobbying for Grants and Cooperative Agreements.*
 3. *Certification Regarding Terrorist Financing.*

The Grant Application Form provides a standardized format for review of the major elements of the proposed activity. Based on a review and evaluation of the information presented in the application, PATH/ProVIC will either approve or disapprove the proposed activity.

The major elements of the grant application are:

Section I—Basic Information

- Items 1–3: Applicant’s name, address, etc.; legal status and representative; and the Authorized Agent, who is the key contact person responsible for all communications with PATH/ProVIC concerning all aspects of the grant, from initial summary through completion. The Authorized Agent must have full authority and responsibility to act on behalf of the Grantee. The Authorized Agent should be someone who is directly involved with the grant activity and has a proven, established relationship with the Grantee.
- Item 4: Briefly describes the organization and its activities—This section introduces the potential Grantee’s organization and its background:
- How the organization was formed.
 - Its mission or purpose.
 - Major accomplishments in the area of the targeted activity.
 - Past and/or current related activities and clients.

Section II—Project Description

- Items 5–6: Grant project title, objectives, results to be achieved, and linkage to the PATH/ProVIC objectives—The objectives should relate to the PATH/ProVIC Grants Program objectives.
- Item 7: Indicators and methodology for measuring results of the project—The applicant must present a sound but simple methodology for quantifying and qualifying indicators of achievement. If the methodology relies on baseline data, that data must be present and reliable prior to the grant activity.
- Item 8: Indicators for appraising this application for grant funding.
- Item 9: Definition of successful achievement of grant objectives—The applicant should define what constitutes successful achievement of the sought-after objective.
- Item 10: Identifies the grant-funded activities’ direct and indirect beneficiaries, number, and how they will benefit.
- Item 11: Plan for disseminating lessons learned from the activities to other organizations that work to address HIV/AIDS (if applicable).

Section III—Project Implementation Plan

The proposed implementation plan should be task driven. Each task must be:

- Complete and sound.

- Integrated and scheduled with dependent tasks.
- Assigned to a responsible party.
- Defined in terms of resources required.
- Concluded with a viable milestone of achievement, and milestones must be linked to results.

Item 12: Grant activity implementation plan—The form allocates space for three tasks; however, the applicant may subdivide the implementation plan into more than three tasks or into fewer than three tasks. The tasks must show a logical, thoughtful approach to the overall implementation plan. Tasks should describe actions and be logically sequenced. Each task must contribute to the achievement of the activity objective.

Items 13–14: Estimated dates of start-up and completion—The duration of the grant can be derived from these two dates.

Item 15: List of all relevant material assumptions made and/or conditions precedent required for the achievement of the grant objective.

Section IV—Experience and Capacity

Item 16: Previous or ongoing experience implementing similar activities—Applicants must submit a list of all contracts, grants, or cooperative agreements involving similar or related programs over the past three years. Information about each of these previous donors or grantors shall include:

- Location.
- Current telephone/fax numbers and email address.
- Points of contact.
- Award number (if available).
- A brief description of the work performed.

This section is where the applicant presents its proven track record of success. This is a critical factor in assessing the capacity of the Grantee to implement the activity.

Section V—Contribution

Items 17–18: Definition of Grantee’s cash or in-kind contributions. Co-funding (funding from other sources) is authorized on a PATH/ProVIC grant-funded project. This information is helpful in determining cost realism in terms of allowability, allocability, and reasonableness.

Item 19: Identification of long-term, recurrent commitments resulting from the activities, and the plan for sustainable coverage.

Section VI—Budget

Project Budget Form. This form, when properly completed, reviewed, and approved, serves as the mutually agreed-upon guide for activity financial management. All PATH/ProVIC activity costs support must be identified. When reviewing cost data, the applicant should avoid proposing amounts that could be unrealistically high or unrealistically low. To be successful, a grant activity must be adequately funded—not over-funded or under-funded.

Administration and Management. These are direct costs that will be incurred by the Grantee *to provide general administrative and management support* to the activity:

- *Salaries*—Salary or any other form of direct payment of grant funds to any Grantee administrative or management employee. Overtime in compliance with DRC labor laws may be charged to the grant.
- *Benefits*—Per the Grantee’s established policy and procedures, and the laws of the DRC (or, if applicable, a verified NICRA rate).
- *Equipment*—This covers nonexpendable supplies and goods (e.g., equipment and furnishings) that have a useful life of one year or more that are required for the activity. The purchase of such goods must meet the USAID source and origin requirements as set forth in the Mandatory and Required as Applicable Standard Provisions.
- *Supplies*—This covers expendable supplies (e.g., paper and stationery) that are necessary for the effective administration and management support of the activity.
- *Travel and Transport*—This covers staff and/or Grantee local travel costs and per diem, plus the cost of transporting activity materials.
- *Other Direct Costs*—This covers non-personnel-related costs such as expert fees, short-term trainer’s fees, rent, utilities, cleaning services, audits (if required by PATH [see Section 1.13, Audits and Records Management, below]), etc., that are required to support the grant activity and are required to support the general administrative and management function.

Direct Activity Funding. These are direct costs incurred by the applicant *to implement* the grant activity implementation plan:

- *Salaries*—Salary or any other form of direct payment of grant funds to any Grantee employee who is directly engaged with the grant activity implementation. Overtime in compliance with DRC labor laws may be charged to the grant.
- *Benefits*—Per the Grantee’s established policy and procedures, and the laws of the DRC (or, if applicable, a verified NICRA rate).
- *Equipment*—This covers nonexpendable supplies and goods (e.g., equipment and furnishings) that have a useful life of one year or more that are required for the activity. The purchase of such goods must meet the USAID source and origin requirements as set forth in the Mandatory and Required as Applicable Standard Provisions.
- *Supplies*—This covers expendable supplies (e.g., paper and stationery) that are necessary for the effective implementation of the grant activity.
- *Local Travel and Transport*—This covers staff and/or Grantee local travel costs and per

diem, plus the cost of transporting activity materials.

- *Other Direct Costs*—This covers non-personnel-related costs such as expert fees, short-term trainer’s fees, rent, utilities, cleaning services, etc., that are required to support the grant activity and are required to support the general administrative and management function.

The Grant Application Form and its components are described in further detail in Annex A.

B. Grant Application Budget

The budget is the expression in financial terms of the activities the project proposes to undertake, and what it hopes to achieve. The standardized grant application budget form serves three major purposes:

- It presents the projected grant-funded cash cost for an activity, by source.
- Because it is broken down into line items and descriptions, it provides an indication as to how funding will be allocated and used.
- Because each Grantee must report usage of grant funds against this budget, it ensures a uniformity of financial reporting across all grants.

It is important that the budget clearly indicate where specific project funds are to come from (from USAID or the applicant's cost-sharing contribution). Contributions from the Grantee must be documented.

To ensure proper management and tracking of each grant disbursement, the budget will be broken down into projected quarterly expenses. This will enable PATH/ProVIC to plan Grants Program expenses and to prepare timely funds transfers for each advance or reimbursement payment. The Grantee shall prepare a financial projection for each forthcoming period and provide a report on actual expenses incurred in the previous period of grant operation. PATH will submit periodic reports to USAID on actual and projected grant disbursements.

C. Grantee Contribution

PATH/ProVIC will make efforts to encourage Grantee contributions. While there is no minimum required contribution for nonprofit NGOs, PATH/ProVIC will work with each Grantee to negotiate a level of contribution appropriate to the organization's resources and to the activity in question. For-profit firms receiving PATH/ProVIC grants will be required to contribute a pre-negotiated percentage of the total project cost as a contribution.

- The Grantee's contribution may be met through a cost-sharing contribution or program income, or some combination of the two. The nature and amount of this contribution must be clearly defined in the grant application and in the grant instrument. The applicant must identify the means to verify this contribution.
- If an applicant is able and willing to contribute office space, equipment, staff time, etc., a reasonable and fair value should be imputed by the applicant to this contribution so that it can be properly recognized.
- The fair value of voluntary labor and other in-kind contributions will be considered as Grantee contribution. PATH/ProVIC recognizes that this will be the main contribution that many small, local NGOs, civil society organizations, community associations, and indigenous organizations will be able to provide.
- In accordance with 22 CFR (Code of Federal Regulations) 226.24, program income (if anticipated) may be used to finance the non-Federal share of the award, with the approval of the applicable regional Grants Manager.

1.10 Application Evaluation

After receiving a grant application, PATH/ProVIC will conduct an initial screening to identify the eligibility or ineligibility of the organization/firm and proposed activities. If the application passes the initial screening, the PATH/ProVIC Grants Evaluation Committee will score the application against the evaluation criteria specified in the Request for Applications (see Annex C for sample evaluation/selection criteria). The Committee will decide whether or not to recommend to USAID to approve a PATH/ProVIC grant to the applicant.

1.11 Notice of Non-approval or Approval

Non-approval. At first-tier grant level, if the PATH/ProVIC Grants Evaluation Committee does not recommend the application for approval, or if USAID/DRC does not approve a grant award, the applicant will be notified in writing. All grant applications will be held in a locked, secure location at the PATH/ProVIC Project office. Applications that are rejected during the PATH/ProVIC screening or evaluation process, or are not approved by USAID, will be held for 30 days and then shredded. Applications will not be returned to the applicants.

Approval. At the first-tier level, if the application is approved by PATH/ProVIC and USAID/DRC, the organization's Authorized Agent will be informed by letter and be sent three original copies of the Grant Agreement in the applicable format, either (1) Standard Project Grant (see Annex D), (2) Simplified Grant (see Annex E), or (3) Fixed Obligation Grant (see Annex F). The Agreement will be sent with required attachments for the Authorized Agent's review and signature. He/She will sign and return to the PATH/ProVIC Project office all copies of the Grant Agreement for PATH/ProVIC signature. The PATH/ProVIC Finance and Administration Specialist is authorized to sign the Agreement on behalf of PATH/ProVIC. One original copy of the Agreement will be sent to the COTR, one will be sent to the Grantee, and one will be kept on file in the PATH/ProVIC Project office.

1.12 Grant Implementation

Upon grant award, the grant recipient is required to open a separate, non-interest-bearing bank checking account for the purpose of depositing and expending the PATH/ProVIC funds that are disbursed. (Experience with USAID-funded grants programs in a variety of countries dictates that the use of interest-bearing savings accounts does not provide for adequate financial controls on the account.) No other funding shall be deposited into this account, and no expenditures shall be paid for from this account which are not for eligible costs under the Agreement. No funds disbursed under the Agreement may be transferred to other bank accounts owned by the Grantee that contain funds from any source other than the PATH/ProVIC Grants Program.

A. Advance Disbursement and Liquidation Procedures: Under Standard Project Grant

For grants utilizing the Standard Project Grant format, PATH/ProVIC will advance funds as agreed to in the Grant Agreement. (Advances are not authorized under Simplified or Fixed Obligation Grants.) These funds will be disbursed according to the following procedures:

1. *Grant Advance Request Form Preparation* (see Annex I for the three-part form)—Following the signing of a Grant Agreement, the applicable regional Grants Manager shall prepare, for each Agreement, a set of PATH/ProVIC Grant Advance Request Forms, one form for each quarter of the life of the Agreement. In addition to filling in all of the basic information related to the Grantee, including the aforementioned unique grant number, on each of the forms, the Grants Manager will attach to each form the benchmarks from the Agreement that correspond to the quarter for which the form has been generated. The Grants Manager will provide the entire set of forms to the applicable Technical Advisor for content verification. Once the Technical Advisor has verified their correctness, the Grants Manager will retain one copy of each form in the appropriate file and forward the originals to the Grantee for use in requesting advances.
2. *Quarterly Submission of Advance Requests*—The Grantee will submit a completed Advance Request 30 days before the beginning of the quarter for which the advance of funds is required, or 30 days before at least 70 percent of the Grantee's current advance has been expended, whichever occurs first. The Advance Request will be submitted with the required budget attached. The required budget is the expression in financial terms of the activities the Grantee proposes to undertake in the following quarter and serves to estimate the Grantee's overall funding needs for the coming quarter, and indicates how the funds requested will be used, by grant budget line item.

In order to ensure that these purposes are served and that no double billing or redundant financing occurs, the Grantee must present the budget attached to the Grant Advance Request Form.

3. *Verifying Grant Advance Request Completeness*—Upon receipt of a Grant Advance Request as described above, the responsible regional Grants Manager will verify that the request is complete in terms of benchmark indicators, attached budget information, and signatures. The Grants Manager will then forward the complete Grant Advance Request to the appropriate Technical Advisor for authorization of the advance. During program implementation, the Technical Advisor and the Grants Manager will monitor financial information and progress reports closely to ensure that funds are being used as agreed and that PATH/ProVIC Grants Program objectives are being met. Problems or impediments will be discussed with the Grantee in order to resolve them. The PATH/ProVIC Project will deduct unresolved questionable costs from the Advance Request.
4. *Advance Authorization*—The applicable Technical Advisor will use the information on the Grant Advance Request to determine whether the beneficiary is entitled to receive the advance requested in the full amount. Authorization will normally be granted if the Grant Advance Request Form is complete and the Grantee has achieved an average of 80 percent of the targeted benchmarks for the quarter. However, the Technical Advisor may decide in exceptional cases, and if extenuating circumstances merit, to (1) decline an advance where the 80 percent threshold has been achieved; or (2) authorize an advance where the 80 percent threshold has not been achieved, or authorize a partial advance. In these exceptional cases, the Technical Advisor will document his/her decision by memo.
5. *Non-authorization of an Advance*—In the event that PATH/ProVIC does not authorize an advance, whether for incompleteness of the request, failure to meet benchmarks, or for other

reasons, a letter to the Grantee will be written by the Grants Manager. The letter will explain the reasons that the advance was not authorized.

6. In the event that a substantial benchmark does not meet the satisfaction of the applicable PATH/ProVIC Technical Advisor, then further expenses will not be advanced unless or until the benchmark has been revised to the approval of the Technical Advisor. Once the correction has been accepted by the Technical Advisor, advances and expenses will be reimbursed retroactively and future expenses will be granted. In the event that a quarterly advance is to be overspent, the Grantee must notify the Grantee's assigned regional Grants Manager in writing before the overrun occurs. The Grants Manager can approve up to 10 percent of such overruns if deemed allowable. If more than 10 percent, the overrun needs approval from the appropriate Technical Advisor. If line items are egregiously exceeded without justification or prior Grants Manager approval, these amounts will be disallowed.

Grant Advance Requests shall be sent to the applicable regional Grants Manager on a quarterly basis, along with the following documentation:

1. *Cover Letter*—This letter shall indicate the funds required for the following period, and shall be signed by the Grantee's Legal Representative or Administrative Director. The amount requested must be in accordance with the approved budget.
2. *Detail of Quarterly Expenses*—An electronic format in Excel (or hard copy) will be provided to the Grantee to report details of quarterly expenses.
3. *Supporting Documentation*—The Grantee shall maintain in its office accounting files containing supporting documentation, including copies of expense vouchers with copies of checks and supporting documentation for all expenses, as well as debit and credit notes with appropriate support.
4. *Bank Reconciliation* (from each previous month of the reporting period)—This shall include a copy of the bank statement, the check detail report generated by the accounting system for the period being reported, and the reconciliation report.
5. *Updated Quarterly List of Assets*—The Grantee shall report any equipment procured with PATH/ProVIC grant funds during the reporting period. This list shall include the following information:
 - A description of the equipment.
 - Manufacturer's serial number, model number, stock number, or other identification number.
 - Source of the equipment, including the award number.
 - Confirmation that title vests in the Grantee.
 - Acquisition date (or date received, if the equipment was furnished by PATH/ProVIC) and cost.
 - Location and condition of the equipment and the date the information was reported.
 - Unit acquisition cost.
6. *Updated Payroll List*—This report will include the full name of each full-time Grantee employee who is partially or fully grant funded. Please also include each employee's

position, start date, contract termination date, and salary. For payroll-related costs, the Grantee shall maintain timesheets for each employee.

When the advance is authorized, the PATH/ProVIC Project will issue a check or send a wire to the Grantee's non-interest-bearing checking account.

Neither PATH/ProVIC nor USAID will be liable for:

- Any Grantee funding shortfalls that may result from the Grantee's failure to comply with the policies set forth herein.
- Any action or inaction by USAID and/or PATH/ProVIC that may prevent a timely provision of funding of a grant request.

B. Reimbursement Payment: Under Simplified and Fixed Obligation Grants

Payments to recipients of Simplified and Fixed Obligation Grants are only in the form of reimbursements. Upon grant award, recipients are required to open a separate, non-interest-bearing bank checking account for the purpose of depositing and expending the PATH/ProVIC funds disbursed. (Experience with USAID-funded grants programs in a variety of countries dictates that the use of interest-bearing savings accounts does not provide for adequate financial controls on the account.) No other funding shall be deposited into this account, and no expenditures shall be paid for from this account which are not for eligible costs under the Agreement. No funds disbursed under the Agreement may be transferred to other bank accounts owned by the Grantee that contain funds from any source other than the PATH/ProVIC Grants Program.

Requests for reimbursement shall be sent to the applicable regional Grants Manager or his/her designee upon completion of the milestones identified in the Grant Agreement, along with the following documentation:

1. *Invoice/Budget Statement*—An invoice/budget summary statement the Grantee provides PATH/ProVIC (in the format that PATH/ProVIC provides the Grantee at the time the Grant Agreement is signed) to report quarterly and cumulative expenses against the approved budget. The figures in this summary report must match the Detail of Quarterly Expenses and the financial reports.
2. *Detail of Quarterly Expenses*—The Grantee is required to provide PATH/ProVIC the Detail of Quarterly Expenses (in the format PATH/ProVIC provides the Grantee at the time the Grant Agreement is signed), which reports details of the Grantee's expenses, including:
 - The expense voucher and debit/credit note number.
 - Date.
 - Description.
 - Net amount.
 - Withholdings.
 - Gross amount.

The figures in this report should be consistent with those reported in the Invoice/Budget Statement and the financial reports.

3. *Financial Reports*—These will include the trial balance, balance sheet, and profit and loss statement generated by the accounting system for the period being reported. These figures in the financial reports should track with those reported in the Invoice/Budget Statement and the Detail of Quarterly Expenses.
4. *Supporting Documentation*—The Grantee shall maintain in its accounting files at its office supporting documentation, including the expense voucher with a copy of the check and supporting documentation for each expense.
5. *Bank Reconciliation* (from each previous month of the reporting period)—This shall include a copy of the bank statement, the check detail report generated by the accounting system for the period being reported, and the reconciliation report.
6. *Updated Quarterly List of Assets*—The Grantee shall report any equipment procured with PATH/ProVIC grant funds during the reporting period. This list shall include the following information:
 - A description of the equipment.
 - Manufacturer's serial number, model number, stock number, or other identification number.
 - Source of the equipment, including the award number.
 - Confirmation that title vests in the Grantee.
 - Acquisition date (or date received, if the equipment was furnished by PATH/ProVIC) and cost.
 - Location and condition of the equipment and the date the information was reported.
 - Unit acquisition cost.
7. *Updated Payroll List*—This report will include the full name of each full-time Grantee employee who is partially or fully grant funded. Please also include each employee's position, start date, contract termination date, and salary. For payroll-related costs, the Grantee shall maintain timesheets for each employee.

Once the reimbursement is authorized, the PATH/ProVIC Project will issue a check or send a wire to the Grantee's non-interest-bearing checking account. The Grantee will normally receive its invoiced reimbursement one week after the above documentation has been approved by PATH/ProVIC management.

Neither PATH nor USAID will be liable if the Grantee incurs expenses beyond its approved budget.

C. Quarterly Progress Reports

Under the terms of the Grant Agreement and in addition to the financial reporting requirements described above, PATH/ProVIC will monitor Grantees' performance. PATH/ProVIC requires each Grantee to submit programmatic reports every three months. The programmatic reports should not exceed four pages. PATH/ProVIC will provide reporting formats and due dates to

Grantees to ensure the information will enable PATH/ProVIC to submit to USAID the PATH/ProVIC Project's mid-year and annual performance reports that PATH is required to submit to USAID. At the minimum, the Grantee's programmatic reports will include the following information:

1. Summary of activities and achievements since the previous report.
2. Update on resolution of issues raised in previous reports.
3. New problems encountered and proposed solutions.
4. Anticipated activities/plan for the next reporting period.
5. Progress toward results.

D. Grant Completion Report

Under the terms of the Grant Agreement, within 30 days after completion of the grant activities, the Grantee will be required to submit a Grant Completion Report to the PATH/ProVIC Project office. The report will include the following sections:

Technical Narrative Report Section.

1. A summary of the activity objectives and achievements. The Grant Completion Report should refer to the Grant Activities Objectives and Activities Implementation Plan in the Grant Agreement Project Description, as well as to other objectively measurable indicators that the Grantee finds appropriate for demonstrating project achievements. The report must provide a description of the final tangible results of the grant-funded program, a summary of deliverables/benchmarks, lessons learned during implementation, and suggestions about ways to resolve constraints.
2. A summary of the activities implementation process.
3. Lessons learned and recommendations.

Financial Report Section.

1. Grant Funds Reconciliation, including how funds were expended, by line item.
2. Inventory and Disposition Report.
3. Bank Reconciliation Report.
4. External Audit Report, if required.

Within 30 calendar days after the end of the grant period, the Grantee will provide a list to PATH/ProVIC of each item that has current fair market value of US\$5,000 or more, as well as a detailed proposal of what the Grantee intends to do with that property. As may be required, PATH/ProVIC will request that the USAID Contracting Officer approve the disposition of all property acquired as an item of direct cost under the Contract. If the Grantee uses the property for purposes other than those of the award or sells or leases the property, PATH/ProVIC shall be reimbursed of its share of the property unless PATH/ProVIC authorizes its share of the income from selling or leasing the property to be used as program income. PATH/ProVIC will provide the Grantee rules on amortization as needed.

PATH/ProVIC review and acceptance of the Grant Completion Report will serve to close the grant file.

1.13 Audits and Records Management

The Grantee shall assume full responsibility for effective and proper administration of funds. PATH/ProVIC reserves the right to audit the Grantee as described herein, and in the Grant Agreement.

Pursuant to the Mandatory Standard Provision entitled “Accounting, Audit and Records” (October 1998), if the Grantee receives more than US\$300,000 in grants in one year, the Grantee shall conduct an annual audit, the cost of which may be paid from the grant. To comply with these guidelines, PATH will, when necessary, include “audit costs” in the approved grant budget. PATH may also retain the services of an outside auditing firm to conduct these audits.

Grantees that receive less than US\$300,000 in one year shall open all financial records to PATH and/or USAID upon request.

The Grantee shall maintain books, records, documents, and other evidence relating to the USAID grant in accordance with generally accepted accounting principles formally prescribed by the United States and the DRC to sufficiently substantiate charges to the grant.

The Grantee’s accounting records shall be made available to PATH and/or USAID or their designees for review for up to three years after the submission of the final reports, according to the terms of the Grant Agreement.

1.14 Grant Termination and Suspension

The assistance provided under the Grant Agreement can be suspended or terminated by USAID or by the PATH/ProVIC Project if it is considered that the Grantee has failed to comply with the agreed terms and conditions.

PATH does not condone any action that could be considered to promote or give the appearance of conflict of interest or corruption. No ongoing or potential business is worth tolerating, condoning, or participating in any act considered unlawful in appearance or in fact.

All PATH/ProVIC partners and employees must follow their own respective organization’s business ethics policies to ensure that no damage is done to the well-earned integrity, reputation, and business of the project, company, or the personnel of the project and company. PATH/ProVIC employees who knowingly participate in an unethical business act may face disciplinary measures from PATH, including possible termination of employment. When an employee discovers such a potentially unlawful activity, the employee must report it to the PATH/ProVIC Chief of Party and/or the PATH Country Representative.

Given the foregoing, PATH, its employees, subcontractors, and Grantees (and, if applicable, lower-tier Grantees) shall maintain the highest standards of ethical conduct governing the selection, award, implementation, and oversight of this Grants Program. Such ethical standards

of conduct derive from, but are not limited to, Federal and USAID laws and regulations, and PATH's policies and procedures.

If any officer, employee, or agent of the PATH/ProVIC Project, Grantee, or subgrantee becomes aware of any allegations of unethical conduct and prohibited acts described below, the individual is obligated to immediately inform the PATH/ProVIC Chief of Party and/or PATH Country Representative of such alleged conduct, orally or in writing.

The Chief of Party and the Country Representative are authorized by PATH, in consultation and concurrence with the PATH Finance and Administration Specialist and the appropriate PATH senior management in the case of PATH employees, to investigate any such allegations and take appropriate action (including disciplinary action, including termination of employment or of the grant) to remedy, correct, mitigate, or otherwise resolve the unethical conduct or prohibited acts.

Any individual, Grantee, or subcontractor found guilty of such prohibited actions shall be subject to termination of employment, grant, subaward, or contract, and may be subject to criminal prosecution under the US Criminal Bribery and Illegal Gratuities statute and the US Foreign Corrupt Practices Act.

Ethical standards of conduct applicable to Grants Program Grantees and their officers, employees, consultants, subgrantees, and agents are described below:

- *Organizational or Personal Conflict of Interest*—No employee, officer, or agent of the PATH/ProVIC Project, the Grantee, or subgrantee shall participate in the selection, award, or administration of a grant or subgrant supported by USAID funds if a real or apparent conflict of interest would be involved. Such a conflict may arise when the employee, officer, or agent, any member of his or her immediate family, or partner, or an organization that employs or is about to employ any of the parties indicated herein, has a real or perceived financial or other interest in the organization selected for award. In the event that PATH determines that conflict of interest exists, PATH may disqualify an application or terminate a grant. Definition of conflict of interest: A conflict of interest is any interest, financial or otherwise, direct or indirect; participation in any business, transaction, or professional activity; or incurring of any obligation of any nature which is or appears to be in substantial conflict with the proper discharge of duties in relation to a PATH-funded project. Conflict of interest includes, but is not limited to:
 - An occasion when an individual's private interest differs from his or her professional obligations.
 - A situation in which professional actions or decisions occur that an independent observer might reasonably question.
 - Nepotism, i.e., favoritism shown to a relative on the basis of an immediate family relationship. (Note: Immediate family can be defined as parents, children, siblings, grandparents, same categories of in-laws, foster and step children, and anyone living in the same household as a family.)
- *Anti-kickback and Bribery*—The officers, employees, and agents of the PATH/ProVIC Project, the Grantee, or subgrantee shall neither solicit nor accept gratuities, favors, or

anything of monetary value from contractors, Grantees, subgrantees, or third parties.

- *Prohibition on Transaction with or the Provision of Resources and Support to Individuals and Organizations Associated with Terrorism*—Pursuant to Executive Order No. 13224 and US law, transactions with and the provision of resources and support to individuals and organizations associated with terrorism is prohibited under the PATH/ProVIC Project and its grants, subgrants, and subcontracts issued hereunder. It is the legal responsibility of the Grantee, its officers, employees, agents, and any lower-tier Grantees or contractors to ensure compliance with this Executive Order and US law. This provision will be incorporated into all grants, with a requirement to flow this provision down to all lower-tier agreements.

Annex A

Grant Application Form PATH/ProVIC Project Grants Program

(Please type your application for grant funding, using the following format.)

Section I—Basic Information

1. Organization's legal name:

Official address:

Telephone:

Fax:

Email:

Authorized Agent (key contact person for the purposes of the grant) and his/her title:

Number of permanently paid staff:

Number of members:

2. Legal status of the organization:

Date of original registration:

Date of most recent registration:

Number of most recent registration:

TIN (Tax Identification Number):

3. Name of Legal Representative:

Document identification number:

4. Briefly describe the organization, its purpose, and its past and/or current related experience, and provide an organigram:

Section II—Project Description

5. Grant project title:

6. Grant application objectives and linkage to the PATH/ProVIC Project objectives:

7. Indicators and methodology to be used for measuring results of project. The indicators may be quantitative or qualitative. (Quantitative indicators have a somewhat statistical character and are based on some form of counting. Qualitative indicators are typically based on the expression of feelings or attitudes and not countable. They refer to the character of something. All indicators should be SMART:

- Specific, in terms of quantity/quality and time, the indicators should have high validity and reliability.
- Measurable, they must be objectively verifiable and be measured according to understandable standards.
- Attainable, it must be possible to collect the data with the amount of resources you have - money, time, and people. The indicators should not be too expensive to collect.
- Relevant to the ProVIC project and its targeted population.
- Time-bound, you have to know when you want to collect the data and then check if it is possible at that time.)

8. Costs, in terms of:

	US\$
Total cost of project	
Applicant's contribution	
Co-funding from another donor	
PATH/ProVIC grant funds requested	
Number of direct beneficiaries	
Number of indirect beneficiaries	

9. Definition of successful achievement of grant's objectives (what constitutes success), and who will be responsible for implementing the activities and achieving the objectives:

Activity 1

Activity 2

Activity 3, etc.

10. Number of direct and indirect beneficiaries, and the manner in which they will benefit:

11. Plan for disseminating activity deliverables to general public (if applicable):

Section III—Project Implementation Plan

12. Grant Activities Implementation Plan

(Please provide project timetable for each component, its cost and proposed funding source(s), and its principal activities, using the following format.)

Description of work activity	Work activity start date and end date (duration must be less than one year)	Cost of materials, services, and/or equipment (US\$)	Description of milestone or achievement
Activity 1:	Start: End:	Material: \$ Services: \$ Equipment: \$	
Activity 2:	Start: End:	Material: \$ Services: \$ Equipment: \$	
Activity 3:	Start: End:	Material: \$ Services: \$ Equipment: \$	
Activity 4:	Start: End:	Material: \$ Services: \$ Equipment: \$	
Activity 5:	Start: End:	Material: \$ Services: \$ Equipment: \$	

13. Estimated start-up date:

14. Estimated completion date:

15. Relevant material assumptions made and/or contingencies:

Section IV—Experience and Capacity

16. *Previous or Ongoing Experience Implementing Similar Activities*—Applicants must submit a list of all contracts, grants, or cooperative agreements involving similar or related programs over the past three years. Information shall include location, current telephone numbers, email addresses, points of contact, award numbers (if available), and brief descriptions of the work performed. This is where the applicant presents its proven track record of success. This is a critical factor in assessing the capacity of the Grantee to implement the activity.

Section V—Grantee's Contribution

17. Definition of Grantee's cash and/or in-kind contributions (cost-sharing):
18. Definition of contributions from other sources (co-funding):
19. Long-term, recurrent commitments resulting from this activity, and plan for sustainable coverage:

Section VI—Budget

20. Project budget:

Item	Cost calculation	Grantee contribution	Co-funding from another donor	Total
1. Salaries				
Subtotal				
2. Benefits (or NICRA, if applicable)				
Subtotal				
3. Equipment and Furniture				
Subtotal				
4. Supplies				
Subtotal				
5. Local Travel and Transport				
Subtotal				
6. Other Direct Costs				
Subtotal				
GRAND TOTAL				

Submitted By:

On behalf of the applicant identified in Section I of this grant application, Basic Information, I hereby certify that to the best of my knowledge, this application in its entirety contains only true and current information:

Name _____

Title _____

Signature _____

Date _____

For PATH/ProVIC Use Only

Date received _____ Office _____

By _____ Reference No. _____

The undersigned hereby certifies that: (A) the applicant has received an official delivery receipt for its grant application; (B) a copy of that receipt has been filed; (C) a reference number has been assigned; and (D) grant application database and hard-copy files have been opened. In addition, the applicant has been advised as to the review and appraisal process and its primary PATH/ProVIC point of contact.

PATH/ProVIC Staff Member _____ Date _____

Annex B

Required Certification Package

Each grant applicant is required to complete and submit with its application the following three certifications, copies of which are on the following pages:

1. *Prohibition on Assistance to Drug Traffickers for Key Individuals.*
2. *Certification Regarding Lobbying for Grants and Cooperative Agreements.*
3. *Certification Regarding Terrorist Financing.*

Certification 1

Prohibition on Assistance to Drug Traffickers for Key Individuals (See ADS 206)

I hereby certify that within the last ten years:

1. I have not been convicted of a violation of, or a conspiracy to violate, any law or regulation of the United States or any other country concerning narcotic or psychotropic drugs or other controlled substances.
2. I am not and have not been an illicit trafficker in any such drug or controlled substance.
3. I am not and have not been a knowing assistor, abettor, conspirator, or colluder with others in the illicit trafficking in any such drug or substance.

Signature: _____ Date: _____

Name: _____

Title/Position: _____

Organization: _____

Address: _____

Date of Birth: _____

NOTICE:

1. Your organization is required to sign this Certification under the provisions of 22 CFR Part 140, Prohibition on Assistance to Drug Traffickers. These regulations were issued by the US Department of State and require that certain key individuals of organizations must sign this Certification.

2. If your organization makes a false Certification, you are subject to US criminal prosecution under 18 USC 1001.

Certification 2

Certification Regarding Lobbying for Grants and Cooperative Agreements

The undersigned certifies, to the best of his/her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of the agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of the certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of a fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, US Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than US\$10,000 and not more than US\$100,000 for each such failure.

Certified by: (Applicant's Authorized Signatory)

Name: _____

Signature: _____

Title: _____

Date: _____

Certification 3

Certification Regarding Terrorist Financing

By signing and submitting this application, the prospective recipient provides the certification set out below:

1. The Recipient, to the best of its current knowledge, did not provide, within the previous ten years, and will take all reasonable steps to ensure that it does not and will not knowingly provide, material support or resources to any individual or entity that commits, attempts to commit, advocates, facilitates, or participates in terrorist acts, or has committed, attempted to commit, facilitated, or participated in terrorist acts, as that term is defined in paragraph 3.
2. The following steps may enable the Recipient to comply with its obligations under paragraph 1:
 - a. Before providing any material support or resources to an individual or entity, the Recipient will verify that the individual or entity does not
 - i. Appear on the master list of Specially Designated Nationals and Blocked Persons, which list is maintained by the US Treasury's Office of Foreign Assets Control (OFAC) and is available online at OFAC's website, <http://www.treas.gov/offices/enforcement/ofac/sdn/t11sdn.pdf>, or
 - ii. Is not included in any supplementary information concerning prohibited individuals or entities that may be provided by USAID to the Recipient.
 - b. Before providing any material support or resources to an individual or entity, the Recipient also will verify that the individual or entity has not been designated by the United Nations Security Council (UNSC) sanctions committee established under UNSC Resolution 1267 (1999) (the "1267 Committee") [individuals and entities linked to the Taliban, Osama bin Laden, or the Al Qaida organization]. To determine whether there has been a published designation of an individual or entity by the 1267 Committee, the Recipient should refer to the consolidated list available online at the Committee's website, <http://www.un.org/sc/committees/1267/consolidatedlist.htm>.
 - c. Before providing any material support or resources to an individual or entity, the Recipient will consider all information about that individual or entity of which it is aware and all public information that is reasonably available to it or of which it should be aware.
 - d. The Recipient also will implement reasonable monitoring and oversight procedures to safeguard against assistance being diverted to support terrorist activity.

3. For purposes of this Certification-

- a. “Material support and resources” means currency or monetary instruments or financial securities, financial services, lodging, training, expert advice or assistance, safehouses, false documentation or identification, communications equipment, facilities, weapons, lethal substances, explosives, personnel, transportation, and other physical assets, except medicine or religious materials.”
- b. “Terrorist act” means-
 - i. An act prohibited pursuant to one of the 12 United Nations Conventions and Protocols related to terrorism (see the United Nations terrorism conventions Internet site at http://treaties.un.org/Pages/DB.aspx?path=DB/studies/page2_en.xml&menu=MTDSG; or
 - ii. An act of premeditated, politically motivated violence perpetrated against noncombatant targets by subnational groups or clandestine agents; or
 - iii. Any other act intended to cause death or serious bodily injury to a civilian, or to any other person not taking an active part in hostilities in a situation of armed conflict, when the purpose of such act, by its nature or context, is to intimidate a population, or to compel a government or an international organization to do or to abstain from doing any act.
- c. “Entity” means any partnership association, corporation, or other organization, group or subgroup.
- d. References to this Certification to the provision of material support and resources shall not be deemed to include the furnishing of USAID funds or USAID-financed commodities to the ultimate beneficiaries of USAID assistance, such as recipients of food, medical care microenterprise loans, shelter, etc., unless the Recipient has reason to believe that one or more of these beneficiaries commits, attempts to commit, advocates, facilitates, or participates in terrorist acts, or has committed, attempted to commit, facilitated, or participated in terrorist acts.
- e. The Recipient’s obligations under paragraph 1 are not applicable to the procurement of goods and/or services by the Recipient that are acquired in the ordinary course of business through contract or purchase (e.g., utilities, rents, office supplies, gasoline, etc.), unless the Recipient has reason to believe that a vendor or supplier of such goods and services commits, attempts to commit, advocates, facilitates, or participates in terrorist acts, or has committed, attempted to commit, facilitated, or participated in terrorist acts.

This Certification is an express term and condition of any agreement issued as a result of this application, and any violation of it shall be grounds for unilateral termination of the agreement by USAID prior the to the end of its term.

Certified by: (Applicant's Authorized Signatory)

Name: _____

Signature: _____

Title: _____

Date: _____

Annex C

Evaluation/Selection Criteria Form

After the initial application screening, the PATH/ProVIC Grants Evaluation Committee shall evaluate the application against the following mandatory requirements and supplementary requirements.

A. MANDATORY REQUIREMENTS

A1. Is the purpose of each activity specified in the application consistent with PATH/ProVIC Project objectives? ☐ Yes ☐ No

A2. Is the applicant an eligible organization as defined in this Handbook? ☐ Yes ☐ No

A3. Does the proposed Grantee have the organizational capability to successfully implement the activity(ies) specified in the application? ☐ Yes ☐ No

A4. Does the proposed Grantee have the financial accounting system to adequately account (as per USAID regulations) for the funds that would be provided via the grant? ☐ Yes ☐ No

The applicant must meet all the above four mandatory requirements to proceed to be evaluated using the following evaluation criteria requirements.

B. EVALUATION CRITERIA

B1. *Design and Approach*—The quality and feasibility of the application in terms of the appropriateness of the proposed methodology, innovativeness, and the work plan for achieving project objectives. Proposed mechanisms for monitoring and evaluation with objectively measurable indicators will also be appraised.

Points (maximum 20) _____

B2. *Impact on Target Group*—The extent to which the proposed activity corresponds to the needs of the target group and will directly benefit them. Also, the degree to which it will directly or indirectly stimulate other organizations and resources to develop or implement activities supporting the objectives of the PATH/ProVIC Grants Program.

Points (maximum 20) _____

B3. *Management and Programmatic Capacity*—Evidence of the capability to undertake and accomplish the proposed activities. Appraisal will be based principally on reference checks and other screening tools used by PATH/ProVIC to verify the background, qualifications, reputation, and skills of its key personnel; and the “track record,” reputation, and achievements (including development of self-sufficient, sustainable activities) of the organization involved.

Points (maximum 15) _____

B4. *Sustainability*—The extent to which the funded activity will result in building and strengthening the capacity of the community and local organizations, and whether the activity itself is sustainable or will stimulate sustainability of the organization.

Points (maximum 20) _____

B5. *Cost Efficiency*—The degree to which budgeting is clear and reasonable and reflects best use of organizational and grant resources. The local contribution reflects commitment to the project by the targeted beneficiaries and local institutions.

Points (maximum 10) _____

B6. *Past Performance*—Previous or ongoing experience implementing similar activities. This is where the applicant presents its proven track record of success. This is a critical factor in assessing the capacity of the Grantee to implement the activity.

Points (maximum 10) _____

B7. *Other Strengths*—The grant application demonstrates other strengths, such as innovative approach, a meaningful public information component, and potential for replication.

Points (maximum 5) _____

TOTAL POINTS (maximum 100) _____

The PATH/ProVIC Grants Program is authorized in accordance with the US Foreign Assistance Act of 1961 and USAID Contract Number GHH-I-00-07-00061-00, Order Number 03.

For non-US organizations, awards will be administered in accordance with provisions contained in ADS Section 302.5.6, *Grants Under Contracts*, ADS Chapter 303, *Grants and Cooperative Agreements to Non-Governmental Organizations*, and within the terms of the *USAID Standard Provisions Applicable to Non-US Non-Governmental Recipients*. Information on these provisions can be accessed through the USAID external website at www.info.usaid.gov *Business/Policy* section. Per ADS Section 302.5.6 f) Contractors are not authorized to execute Cooperative Agreements on USAID's behalf.

USAID reserves the right to fund any or none of the applications submitted.

Annex D

Standard Project Grant Award Letter Format

Dr./Mr./Ms. (President/Director)

Organization

Address

address

Democratic Republic of Congo

Subject: PATH/ProVIC Award Number _____

Dear Dr./Mr./Ms:

Pursuant to the authority contained in the US Foreign Assistance Act of 1961, as amended, PATH, the United States Agency for International Development (USAID) Prime Contractor on the USAID-funded Integrated HIV/AIDS Program in the Democratic Republic of Congo Project (hereinafter referred to as "PATH" or "Grantor"), hereby awards to the [name of Grantee] (hereinafter referred to as "_____" or "Grantee") the sum of US\$_____ to provide support for a project in _____ as described in the schedule of this Agreement and Attachment 2, entitled "Project Description."

This Agreement is effective and obligation is made as of the date of this letter and shall apply to commitments made by the Grantee in furtherance of project objectives during the period beginning with the effective date and ending _____ (hereinafter referred to as the "Grant Completion Date"). PATH shall not be liable for reimbursing the Grantee for any costs in excess of the obligated amount.

This Agreement is made to the _____, on condition that the funds will be administered in accordance with the terms and conditions as set forth in Attachment 1, entitled "Award Schedule: Terms and Conditions"; Attachment 2, entitled "Project Description"; and Attachment 3, entitled "Mandatory and Required as Applicable Standard Provisions."

Please sign each copy of this letter to acknowledge your acceptance of the Grant, and return the original and all but one copy to the applicable regional Grants Manager; please retain one copy for your records.

Sincerely yours,

Finance and Administration Specialist
PATH/ProVIC Project

Grants Manager

Attachment 1 Award Schedule: Terms and Conditions

Attachment 2 Project Description

Attachment 3 Mandatory and Required as Applicable Standard Provisions

ACKNOWLEDGED BY GRANTEE:

Grantee (organization) Name: _____

By: _____
Name

Signature

Title: _____

Date: _____

FISCAL DATA:**A. GENERAL**

- | | |
|---------------------------------|-----------|
| 1. Total Estimated PATH Amount: | US\$_____ |
| 2. Total Obligated PATH Amount: | US\$_____ |
| 3. Grantee Contribution: | US\$_____ |
| 4. Project Number: | _____ |
| 5. Tax ID Number: | _____ |

B. BANK DETAILS

1. NAME: _____
2. ADDRESS: _____
3. ACCOUNT Number: _____

Attachment 1—Award Schedule: Terms and Conditions

1. Purpose of Agreement

The purpose of this Agreement is to provide support for the project described in Attachment 2 to this Agreement, entitled “Project Description.”

2. Period of Agreement

The effective date of this Agreement is _____.

The estimated completion date of this Agreement is _____.

3. Amount of Award and Payment

(For fully funded grants, the following language will be used.)

(a) PATH, the Prime Contractor on the PATH/ProVIC (Integrated HIV/AIDS Program in the Democratic Republic of Congo) Project, hereby obligates the amount of US\$_____ for purposes of this Agreement to cover a portion of the total project cost as described in Section 4.0, Approved Project Budget, of the Project Description. In the case of reimbursable Simplified or Fixed Obligation Grants, PATH is not obligated to reimburse the Recipient for the expenditure of amounts in excess of the total obligated amount.

(b) The Grantee will request payment of eligible project costs as identified in the project budget by presentation of a Request for Advance (see Annex I) to the applicable regional Grants Manager, including a description of the goods and/or services involved, amounts, quantities, delivery dates, source and origin, and date of purchase. This request shall be approved by the applicable regional Grants Manager or his/her designee. For purchases of goods and services exceeding US\$1,000, the Grantee shall submit three proposals from bona fide providers, and/or proper justification in the event of a sole provider.

(c) In the case of Standard Project Grants with advances of funds, Grantees may request grant disbursements quarterly, or upon expenditure of 70 percent of advanced monies, whichever occurs sooner.

(d) The Grantee hereby agrees that all funding disbursed under this Agreement shall be used exclusively for the activities described in Section 2.0, Activities Implementation Plan, of the Project Description. If at any time it should be determined that achievement of the grant objectives described in Section 1.0, Grant Activities Objectives, of the Project Description are no longer reasonably feasible, for any reason, the Grantee must notify PATH in writing in a timely manner.

(e) In the case of an advance under a Standard Project Grant, payment shall be made to the Grantee by transfer of periodic advances to be determined in consultation with the PATH/ProVIC team. The Grantee will liquidate advances by subsequent presentation of the list of duly certified project expenditures.

(f) For Standard Project Grants, the amount of advance payments will be contingent upon the receipt and approval by PATH/ProVIC of the Grantee's quarterly narrative and financial performance reports, as well as on the results of the monitoring of the Grantee's activities related to this Agreement.

(g) Under this Grants Program, the Grantee may be required by PATH to post a Monies Advanced Bond, issued by a bona fide financial or insurance institution in favor of PATH, which covers any mismanagement, appropriation, or mishandling of funds received in advance by the Grantee. The amount of this bond shall be the equivalent of 100 percent of the amount advanced, and the period covered by the bond will be equal to the duration of the Grant Agreement or the Administration Agreement plus four additional months.

4. Budget

The following is the Agreement budget (list the costs of all project components).

Cost category	Democratic Republic of Congo Francs (US\$)
Salaries	
Benefits (or NICRA rate, if applicable)	
Equipment and Furniture	
Supplies	
Local Travel and Transport	
Other Direct Costs	
Total	

(a) The Grantee must use Grant funding according to this budget to pay actual incurred costs stipulated in Section 4.0, Approved Project Budget, of the Project Description.

(b) Revisions to this budget shall be made in accordance with the Mandatory Standard Provision entitled "Revision of Grant Budget (October 1998)." PATH/ProVIC restricts the transfer of funds among the budget line items with an aggregate amount of 10 percent per line item. The Grantee must obtain prior approval from the Grants Evaluation Committee before making budget shifts which expect to exceed 10 percent of the total budget. The transfer of amounts budgeted for benefits to absorb direct costs or vice versa requires PATH's advance approval. The transfer of funds allotted for training allowance (direct payment to trainees) to other budget categories is not allowed.

(c) Funds obligated but not disbursed by PATH at the expiration or termination of the Period of Agreement shall revert to the United States Agency for International Development (USAID), unless such funds have been encumbered by the Grantee via a legally binding transaction applicable to this Agreement. Any funds advanced to, but not expended or encumbered, shall be refunded to PATH at the expiration or termination of this Agreement.

5. Reporting and Evaluation

(a) Quarterly Financial Reporting

The Grantee will be required to submit the original and one copy of a quarterly narrative and financial performance report at a date to be specified by the applicable regional Grants Manager or his/her designee.

The financial component of the report should contain:

- Grant Advance Request.
- General project expenses budget.
- Copies of bona fide receipts, or an itemized listing of all receipts, as certified by the Grantee's Authorized Agent and certified by the financial/administrative entity designated by PATH.
- List of all other direct costs incurred, as certified by the Grantee's Authorized Agent.
- Copies of the payroll list and timesheets of project staff and experts.
- Copies of travel forms.
- Inventory records.
- Bank reconciliation document.

(b) Quarterly Programmatic/Technical Reporting

The Grantee will be required to submit the original and one copy of a quarterly narrative report on a date to be specified by the applicable Grants Manager or his/her designee. The programmatic section of the report should contain:

- A brief description of project activities undertaken during the reporting period.
- The degree to which the program activities are being accomplished and program objectives achieved.
- Major program implementation problems, such as failure to meet program objectives and targets, management and staffing problems, etc.
- Copies of grant products produced during the reporting period.

Future advances and payments will be contingent upon PATH/ProVIC's acceptance of the quarterly financial report. The Grantee will deliver the quarterly report to the applicable regional Grants Manager. Original expense supporting documents, including receipts and invoices, will remain in the custody of the Grantee and must be available for inspection by PATH, USAID, or the auditors upon request. PATH and USAID also reserve the right, at any time, to conduct physical inspections of Grantee operations, including accounting materials and equipment purchased with project funds.

PATH will evaluate performance reports according to the grant objectives and indicators of achievement agreed upon with the Grantee and described in Section 2.0, Activities Implementation Plan, of the Project Description.

(c) Grant Completion Report

The Grantee shall submit the original and two copies of the Grant Completion Report to the applicable regional Grants Manager within 30 days after the Grant Completion Date, or earlier when possible.

The final performance report shall contain the following information:

- Summary of the Grant Objectives and Achievements.
- Summary of the Grant Activities Implementation Process.
- Lessons Learned and Recommendations.
- Final Grant Funds Reconciliation.

The Grant Completion Report should refer to the grant objectives and indicators of achievement described in Section 2.0, Activities Implementation Plan, of the Project Description, as well as other objectively measurable indicators that the Grantee would find appropriate for demonstration of project achievements.

(d) Right of Visitation and Inspection

The Grantee shall provide PATH and USAID and their authorized representatives with free access to books, documents, papers, records, and receipts related to funds disbursed under this Grant Agreement, for the purpose of conducting audits, examinations, and evaluations of the progress toward achieving the grant objectives.

6. Other Terms and Conditions

(a) Accounting System and Control

The Grantee hereby agrees to establish the system of accounting and financial control set forth in the Mandatory Standard Provision entitled “Accounting, Audit and Records,” including, but not limited to:

- Separate bank checking account (non-interest-bearing) for the purpose of depositing and expending the funds disbursed under this Agreement.
- Separate and segregated accounting system that will allow maintaining of financial records, supporting documents, statistic records, and all other records pertinent to the Award in accordance with generally accepted accounting principals (single-entry ledger and journal system).

(b) The Grantee records that pertain to this award shall be retained for a period of three years from the date of submission of the final financial report and may be audited by USAID. However, if any claim, litigation, or audit is started before the end of the three-year period, the records must be kept until all claims, litigations, or audit findings involving the records have been resolved. Records for nonexpendable property purchased under US government funds will be kept for three years after this property is disposed.

(c) Pre-award Inspection

The Grantee hereby acknowledges its understanding that PATH/ProVIC or its designee is prepared to provide the Grantee with technical assistance to establish the above-mentioned accounting and control systems; that prior to the disbursement of any funds under this Agreement, PATH/ProVIC will determine what steps, if any, are necessary to bring the Grantee’s administrative and financial systems into full compliance with USAID accountability and reporting requirements; and that based on that determination, the Grantee must adopt and

implement the systems recommended by PATH/ProVIC as necessary to exercise effective control over, and accountability for, funds and property funded under this Agreement.

7. Special Provisions

This paragraph will be used to delete inapplicable Standard Provisions or to add provisions of special applicability as authorized. Waivers will be included, and any alterations to the Standard Provisions.

8. Grantee Benefits Rate (or NICRA rate, if applicable)

The Grantee's benefits cost rate is as follows:

Percentage:

Base of application:

Accounting period covered:

9. Title of Property

Title of all property procured with Grant funds will be vested on the Grantee, subject to USAID approval when applicable.

10. Authorized Geographic Code

For grants where there is a procurement element (purchase of nonexpendable goods and any professional services), the authorized source geographic codes for the procurement of all nonexpendable equipment, supplies, and services is 935.

Geographic code 935—Any area or country including the cooperating country, i.e., Democratic Republic of Congo, but excluding the US foreign policy-restricted countries of Cuba, Iraq, Iran, Laos, Libya, North Korea, and Syria.

Manufactured commodities in the DRC exclude all of the restricted goods, such as agricultural commodities, motor vehicles, pharmaceuticals, contraceptive products, pesticides, used equipment, and fertilizers. If the Grantee wants to procure any of the aforementioned commodities, it is required to request an individual waiver from the PATH/ProVIC Project.

11. Modification

This Agreement and Agreement budget may only be modified by issuance of a formal written Agreement Modification Notice jointly endorsed by PATH and the Grantee.

12. Grant Termination and Suspension

The Grantee agrees that this Agreement may be terminated or suspended for an indefinite period within 30 days after the mailing of a registered letter by PATH or the Grantee canceling or suspending the Agreement under the following conditions:

(a) For Cause. Should PATH or the Grantee determine that:

- It is unlikely that the objective of the Grant will be achieved; and/or
- If any of the terms and conditions of this Agreement are broken by the Grantee.

(b) For Convenience. In the event the US government or the government of the DRC stops, delays, or transfers the services of or funding to the PATH/ProVIC Project for any reason. The PATH/ProVIC Project and PATH serve at the convenience of the US government, and may be impeded by the actions of the US government from executing this Grant Agreement.

(c) For Mutual Convenience. The parties may withdraw from this Agreement by mutual consent affirmed in writing.

13. Liability

Neither PATH/ProVIC nor USAID assumes any liability for any third-party claims for damages arising from the Grantee's activities under this Agreement. The Grantee assumes full responsibility for compliance with the laws and regulations of the country in which the activity related to this Agreement is to be undertaken.

14. Acknowledgment and Disclaimer

Any materials publicizing or resulting from Grant activities shall contain acknowledgment of US government funding provided under USAID's Office of Population, Health, and Nutrition Program. These materials must also include the following statement: "The opinions, findings, and conclusions or recommendations expressed herein are those of the author(s) and do not necessarily reflect the views of the United States Agency for International Development."

15. Grantee Contribution

As its contribution to the project, a for-profit Grantee will agree to expend a negotiated percentage of the total project costs for goods and services in cash or in kind. The contribution shall be made according to the Section 5, Grant Disbursement Schedule, of the Project Description.

16. Standard Provisions

(a) This Grant is being awarded and administered by PATH as an authorized USAID Prime Contractor. The references to USAID and Agreement Officer, depending on the context, refer to PATH and the applicable regional Grants Manager.

(b) This Grant is being administered by PATH as an authorized USAID Prime Contractor (the "Contractor") for the DRC PATH/ProVIC Project. Although USAID will not administer this Grant directly, it is understood and agreed that USAID will retain substantial involvement in Grant process management and may, on its discretion through PATH, supersede any decision, act, or omission made by PATH in respect to this Grant, including unilateral termination of this Grant under extraordinary circumstances.

17. Program Income

(In cases where the proposed project will generate program income, the following will be added to the grant.)

The Recipient shall account for program income in accordance with the Standard Provision entitled "Program Income" (October 1998).

Program income earned under this award shall be applied and used as follows:

(Note: The applicable regional Grants Manager in consultation with the technical specialists will decide how program income will be applied.)

- (1) Added to the Project; or
- (2) Used to finance the non-Federal share; or
- (3) Deducted from the total Federal share.

Attachment 2—Project Description

1.0 Grant Activities Objectives

Objective 1
(*Description*)

Objective X
(*Description*)

2.0 Activities Implementation Plan

Activity 1
(*Date/duration*)
(*Description*)
(*Benchmark/Milestone*)

Activity X
(*Date/duration*)
(*Description*)
(*Benchmark/Milestone*)

3.0 Grant Products

Grant Product 1
(*Description*)
(*Dissemination mechanisms*)

Grant Product X
(*Description*)
(*Dissemination mechanisms*)

4.0 Approved Project Budget

Item	Cost calculation	Grantee contribution	Co-funding from another donor	Total
1. Salaries				
Subtotal				
2. Benefits (or NICRA, if applicable)				
Subtotal				
3. Equipment and Furniture				
Subtotal				
4. Supplies				
Subtotal				
5. Local Travel and Transport				
Subtotal				
6. Other Direct Costs				
Subtotal				
GRAND TOTAL				

5.0 Grant Disbursement Schedule

First 90 days' expenses:

Item	Description	Grantee contribution	Payable to Grantee (amount in US\$)	Payable to vendor (amount in US\$)	Budget allocation
1. Salaries	Salary 1 Salary 2				
2. Benefits (or NICRA rate, if applicable)	Item 1 Item 2				
3. Equipment, Furniture	Item 1 Item 2				
4. Supplies	Item 1 Item 2				
5. Local Travel/Transport	Travel 1 Travel 2				
6. Other Direct Costs	Description 1 Description 2				
Total for first quarter					

Each 90-day period following first 90 days:

Item	Description	Grantee contribution	Payable to Grantee (amount in US\$)	Payable to vendor (amount in US\$)	Budget allocation
1. Salaries	Salary 1 Salary 2				
2. Benefits (or NICRA rate, if applicable)	Item 1 Item 2				
3. Equipment, Furniture	Item 1 Item 2				
4. Supplies	Item 1 Item 2				
5. Local	Travel 1 Travel 2				

Travel/Transport					
6. Other Direct Costs	Description 1 Description 2				
Total					

Attachment 3—Mandatory and Required as Applicable Standard Provisions

(Note: A copy of the prevailing Standard Provisions will be attached to each award letter.)

Annex E

Simplified Grant Award Letter Format

Dr. /Mr. /Ms. (President/Director)

Organization

Address

address

Democratic Republic of Congo

SUBJECT: Grant Number _____ [input grant number]

Dear Dr./Mr./Ms.:

In response to your request for assistance dated _____, PATH, the Prime Contractor on the United States Agency for International Development (USAID)-funded Integrated HIV/AIDS Program in the Democratic Republic of Congo Project, is pleased to award to

_____ [organization name] this Grant in the amount not to exceed US\$_____ as a contribution to your program to _____ during the period _____ to _____. We understand that _____ [organization name] will contribute to the program goods and services, valued at approximately US\$_____.

Funds provided under this Grant may be utilized to reimburse your organization for actual incurred costs of _____ required to complete the program. Requests for reimbursement shall be made to the applicable regional Grants Manager or his/her designee.

By accepting this Grant, _____ [organization name] agrees to:

1. Document that reasonable steps were taken to ensure that all purchases charged to the Grant are at reasonable prices and from responsible sources.
2. Maintain complete records of all costs charged to the Grant for a period of three years after the expiration of the Grant and make such records available to PATH and USAID or their representatives for review at any time.
3. At PATH/ProVIC request, refund to PATH/ProVIC any funds received from PATH that represent reimbursement for any costs determined by PATH/ProVIC not to meet the terms and conditions of this Grant.

Neither PATH nor USAID assumes liability for any third-party claims for damages arising out of this Grant. PATH may terminate this Grant upon 30 days' written notice. Also, the Grant may be suspended or terminated by PATH if PATH has notice of or has reasonable cause to believe that the Grantee is unable to pay its obligations in the ordinary course of business. Any dispute under or relating to this Grant shall be decided by the applicable regional Grants Manager.

Please sign the original and each copy of this letter to acknowledge your receipt of this Grant and return the original to the applicable regional Grants Manager or his/her designee.

Sincerely yours,

Finance and Administration Specialist

Attachment 1 *Award Schedule: Terms and Conditions*

Attachment 2 *Project Description*

Attachment 3 *Mandatory and Required as Applicable Standard Provisions*

ACKNOWLEDGED BY GRANTEE:

Grantee (organization) Name: _____

By: _____
Name

Signature

Title: _____

Date: _____

FISCAL DATA:

A. GENERAL

- | | |
|---------------------------------|------------|
| 1. Total Estimated PATH Amount: | US\$ _____ |
| 2. Total Obligated PATH Amount: | US\$ _____ |
| 3. Grantee Contribution: | US\$ _____ |
| 4. Project Number: | _____ |
| 5. Tax ID Number: | _____ |

B. BANK DETAILS

1. NAME: _____
2. ADDRESS: _____
3. ACCOUNT Number: _____

Annex F

Fixed Obligation Grant Award Letter Format

Dr./Mr./Ms. (President/Director)

Organization

Address

address

Democratic Republic of Congo

SUBJECT: Grant Number _____ [use normal grant numbering]

Dear Dr./Mr./Ms.:

In response to your request for assistance dated _____, PATH, the Prime Contractor on the United States Agency for International Development (USAID)-funded Integrated HIV/AIDS Program in the Democratic Republic of Congo (ProVIC) Project, is pleased to award to _____ [organization name] this Fixed Obligation Grant in the amount not to exceed US\$_____ as a contribution to your program to _____ during the period _____ to _____. We understand that _____ [organization name] will contribute to the program goods and services, valued at approximately US\$_____.

The accomplishment of each Fixed Obligation Grant objective will be based on the completion of the tasks and successful submittal or completion of the milestones indicated. (Funding payments for each grant may also be based on a percentage of the total budget for each milestone.)

MILESTONE 1

(Describe in sufficient detail established program milestone, method of PATH/ProVIC verification, and associated payment in dollars or percentage of total amount.)

MILESTONE 2

Payment shall be made by _____. *(Should be similar to the Standard Provision entitled "Payment Reimbursement." Also must include a statement requiring recipient "certification" that the activity was completed.)*

Neither PATH nor USAID assumes liability for any third-party claims for damages arising out of this Grant. PATH may terminate this Grant upon 30 days' written notice. Also, the Grant may be suspended or terminated by PATH if PATH has notice of or has reasonable cause to believe that the Grantee is unable to pay its obligations in the ordinary course of business. Any dispute under or relating to this Grant shall be decided by the applicable regional Grants Manager.

By accepting this Grant, _____ [organization name] agrees to:

1. Document that reasonable steps were taken to ensure that all purchases charged to the Grant are at reasonable prices and from responsible sources.
2. Maintain complete records of all costs charged to the Grant for a period of three years after the expiration of the Grant and make such records available to PATH and USAID or their representatives for review at any time.
3. At PATH/ProVIC request, refund to PATH/ProVIC any funds received from PATH/ProVIC that represent reimbursement for any costs determined by PATH/ProVIC not to meet the terms and conditions of this Grant.

Please sign the original and each copy of this letter to acknowledge your receipt of this Grant and return the original to the applicable regional Grants Manager.

Sincerely yours,

Finance and Administration Specialist

Attachment 1 Award Schedule: Terms and Conditions

Attachment 2 Project Description

Attachment 3 Mandatory and Required as Applicable Standard Provisions

ACKNOWLEDGED BY GRANTEE:

Grantee (organization) Name: _____

By: _____
Name

Signature

Title: _____

Date: _____

FISCAL DATA:**A. GENERAL**

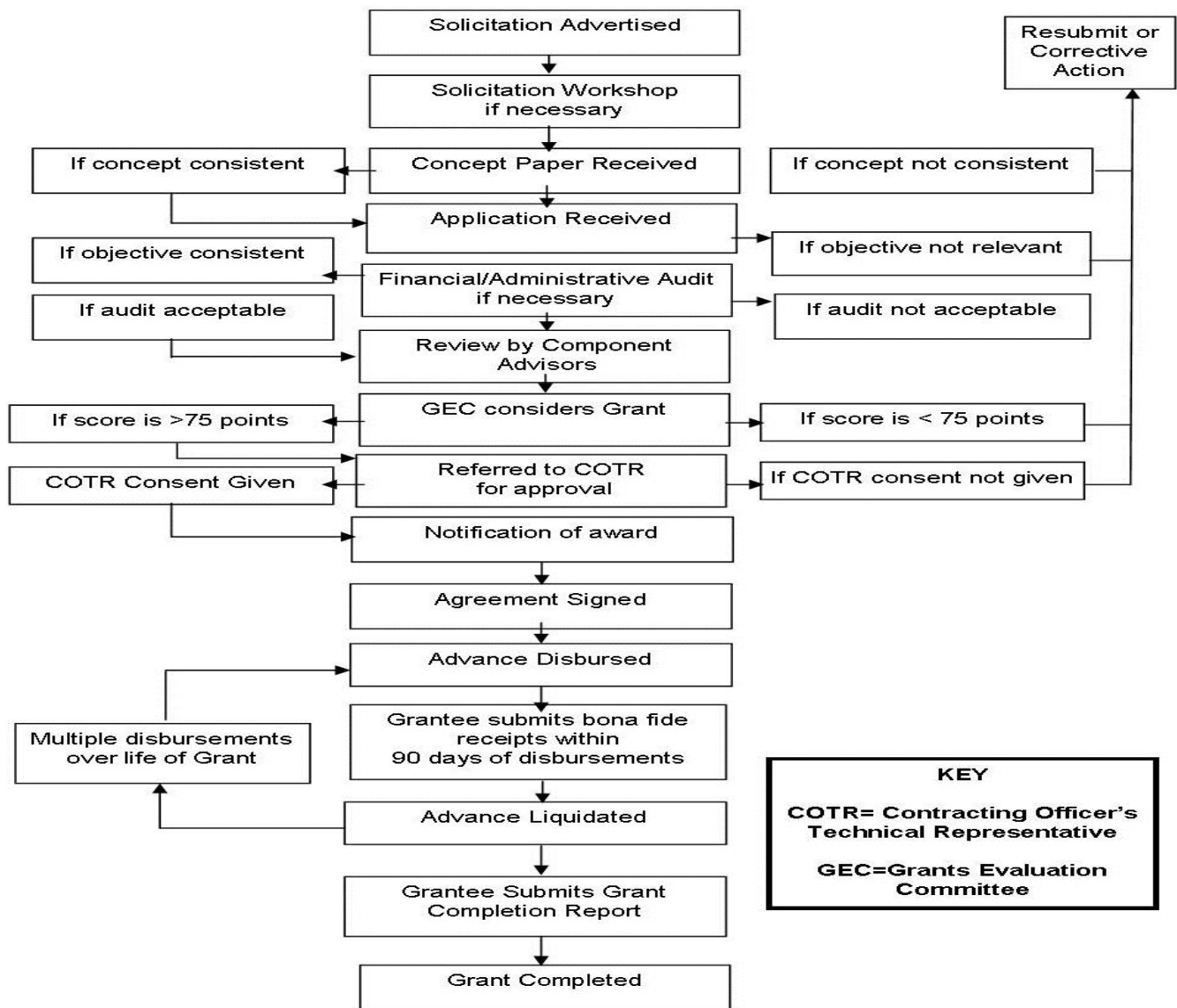
- | | |
|---------------------------------|------------|
| 1. Total Estimated PATH Amount: | US\$ _____ |
| 2. Total Obligated PATH Amount: | US\$ _____ |
| 3. Grantee Contribution: | US\$ _____ |
| 4. Project Number: | _____ |
| 5. Tax I.D. Number: | _____ |

B. BANK DETAILS

1. NAME: _____
2. ADDRESS: _____
3. ACCOUNT Number: _____

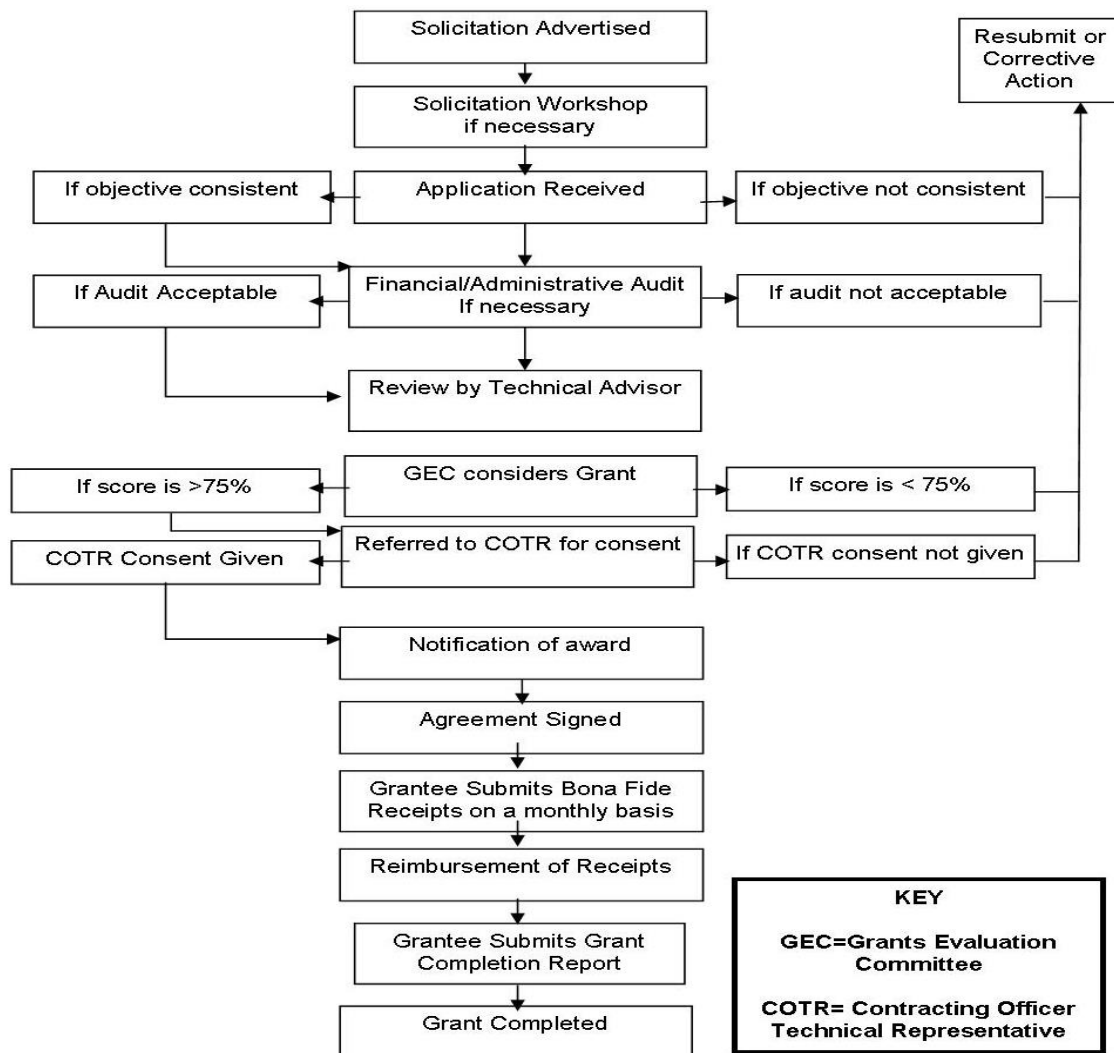
Annex G

PROCESS FOR STANDARD PROJECT GRANTS



Annex H

PROCESS FOR SIMPLIFIED and FIXED OBLIGATION GRANTS



Annex I

Part I

Grant Advance Request Form

(A copy of the Excel file containing the PATH/ProVIC Grant Advance Request Form will be printed and provided to the grant recipient.)

1. Grantee Organization Address:		3. Grantee Organization Bank Account Information		7. Grant Amount	
Name:		Bank/Branch Name:			
Street Address:		Account Number:		8. Obligated Amount	
City:		Payment Method:			
Region:		Street Address:		10. Grant Period	
		City, Region:		From	
2. PATH personnel/team to which report is submitted:		4. PATH/ProVIC Grant Number	5. Final Report	6. Base of Accounting	11. Period Covered
PATH/ProVIC, Attn: Grants Manager			Yes No	Cash Accrual	From
12. Transactions:		Previous Cumulative (I)	This Period (II)	Cumulative (III)	Approved By
Cash Receipts	a. Beginning Cash Balance				
	b. Cash Receipts				
	c. Program Income				
	d. Total Cash Available (a+b+c)				
	e. Expenses - by Line Item				
	1. Salaries				
	2. Benefits				
	3. Equipment and Furniture				
	4. Supplies				
	5. Local Travel and Transport				
6. Other Direct Costs					
	f. Total Expenses (sum 1-6)				
Request for Advance/Payment	g. Ending Cash Balance (d-f)-Excess/Deficit				
	h. Cash Requirement for Next Period				
	i. Total Cash Required (h minus g)				
Grantee/Subgrantee Contribution	j. Grantee's Contribution - Line Item				
	1. Salary				
	2. Benefits				
	3. Equipment and Furniture				
	4. Supplies				
	5. Local Travel and Transport				
	6. Other Direct Costs				
	k. Total Contribution				
13. Certification		14. Summary of Advances/Reimbursements			
		Round Date			
Prepared for Grantee by:	Authorized for ProVIC by:	1st round			
Name:	Name:	2nd round			
		3rd round			
Title:	Title:	4th round			
		5th round			
Signature:	Signature:	6th round			
		7th round			
Date:	Date:	Total			

(Note: The Grants Manager assigned to this Grantee will attach a list of benchmarks to be achieved by the Grantee in the grant period to be funded.)

Annex I
Part II
Advance Request and Reconciliation Worksheet

1. Beneficiary's Name: _____
2. Activity Name: _____
3. GRANT Tracking No: _____
4. Advance Period: _____ to _____
5. Total Activity Budget: _____

Items I-III are to be completed by the Beneficiary. This form must be accompanied by an authorized Financial Report in order to be processed.

I. Benchmarks Required for this Advance

	Target	Achieved	% Achieved
Benchmark 1* _____			
Results: _____			
Benchmark 2* _____			
Results: _____			
Benchmark 3* _____			
Results: _____			

*Benchmarks to be determined with the beneficiary and included in the contract terms

II. Advance Projections (Detailed Budget Attached)

Grantees should insert a detailed budget here which clearly indicates the line items of the approved budget and where the advanced funds are intended to be spent, based on the line items in the budget.

III. Reconciliation Worksheet

Section 1 (Skip to Section 2 if first advance)

- | | | |
|----|--|-------|
| 1. | Balance per prior report (Section 1 line 4) | _____ |
| 2. | Last Advance (Section 2 line 4 from prior report) | _____ |
| 3. | Current Expenditures per Advance Reconciliation ₁ | _____ |
| 4. | Current Balance Available (1+2-3) ₂ | _____ |

Section 2

- | | | |
|----|---|-------|
| 1. | Advance requested per attached budget | _____ |
| 2. | Balance per Section 1 line 4 | _____ |
| 3. | Total Calculated Advance (1-2) | _____ |
| 4. | Total Advance (round line 3 to nearest \$100) | _____ |

Section 3

- | | | |
|----|---|-------|
| 1. | Total Grant Value | _____ |
| 2. | Total Advances (not including section 2 line 4) | _____ |
| 3. | Total expenditures to date ₃ | _____ |
| 4. | Current Grant Balance (1+2-3) | _____ |

₁Grantee shall attach Advance Reconciliation Form and copies of all bona fide receipts and time sheets.

₂Grantee shall submit copies of USD and local currency bank statements for verification and reasonableness check.

₃Cumulative total of Section 1 line 3 from all previous reports

BENEFICIARY CERTIFICATION: I certify that to the best of my knowledge and belief, the data reported above and the attached monthly financial statements are correct and that this request and our subcontract are in full compliance with the terms and conditions of the agreement between ourselves and Chemonics.

Signature: _____ please scan in signature of appropriate signatory.

Items IV-V are for ProVIC Project use.

IV. ProVIC PROJECT APPROVAL

ProVIC Grant Manager: _____

Date: _____

ProVIC : _____

Date: _____

ProVIC ACCOUNTING INFORMATION

Amount of Advance: _____

Date of Issue: _____

Check No: _____

ProVIC Accountant: _____ Date: _____

**Annex I
Part II
Grant Advance Reconciliation**

Beneficiary: _____

Memo: _____

Expenses Distribution

Receipt*	Vendor	Memo (brief d
1		
2		
3		
4		
5		
6		
7		
8		
9		

10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		

*Number attached receipts in sequential order to match this form. Please add additional lines if necessary.

Section 1.0

INTRODUCTION

1.1 PATH/ProVIC Grants Program

The objective of the United States Agency for International Development (USAID)-funded Integrated HIV/AIDS Program in the Democratic Republic of Congo (ProVIC) Project is to reduce the incidence and prevalence of HIV/AIDS and mitigate its impact on people living with HIV/AIDS and their families. This contributes to the United States (US) government's goal in the Democratic Republic of Congo (DRC) to improve basic health conditions for the Congolese people. The grants component of the Program for Appropriate Technology in Health (PATH) Project, ProVIC, is a key element in the achievement of the project's objectives.

PATH/ProVIC Objectives

The ProVIC team will achieve the overall objective by:

- Improving HIV/AIDS prevention, care, and treatment services in the selected areas.
- Increasing community involvement in health issues and services beyond facility-level services through sustainable community-based approaches.
- Increasing the capacity of government and local civil society partners—thereby empowering new local organizations—to plan, manage, and deliver higher-quality HIV/AIDS services.
- Assisting the DRC government to develop, disseminate, and implement evidence-based policies such as counseling and testing, adult care and treatment, and orphans and vulnerable children policies that result in higher-quality services.

A grant is a funding mechanism whereby funds are provided to eligible organizations to carry out activities that are consistent with the objectives of ProVIC and of its components. Grant funds do not have to be paid back to the Project if the funds are properly used to implement the program, and if the program is implemented in a manner fully consistent with this Manual.

The ProVIC Grants Program is designed to fund activities that help achieve the above results through the following categories of grants: Standard Project, Simplified, and Fixed Obligation.

Among other support, ProVIC provides assistance through the grants to organizations that include:

- HIV counseling and testing (HCT) centers and mobile HCT units.
- Champion communities implementing partners.
- Organizations providing support to people living with HIV/AIDS.
- Organizations providing support to orphans and vulnerable children.

The terms and conditions stipulated in the Grant Agreement executed between the Grantee and the ProVIC Project are terms and conditions that flow down from the contract between PATH and USAID. They are designed to ensure that the Grantee's implementation and ProVIC management are in full compliance with USAID and other US government policies and

regulations. These terms and conditions generally are non-negotiable. In particular, the Grantee, and ProVIC must strictly adhere to the Standard Provisions, which govern the Grantee's implementation of its program, the funding of that program, and the resolution of any ambiguities, questions, or disputes that may arise in the course of that program.

1.2 Roles and Definitions

The following definitions are provided to help users interpret PATH and ProVIC guidelines and regulations, and/or prepare appropriate applications. Various sections of this Manual describe these terms in further detail.

Applicant—A non-US, nongovernmental organization (NGO) applying to ProVIC for a grant.

Application—A written document in form and substance conforming to the requirements of the Grants Under Contract Management Plan, which outlines in detail the procurement or activities being proposed by an applicant for funding under the ProVIC Grants Program.

Assistance Award—Financial assistance of which the primary purpose is to provide support or stimulation to accomplish a public purpose. Grants issued by ProVIC are assistance instruments.

Benchmarks/Milestones—Key programmatic and financial targets that must be met to qualify for initial or subsequent disbursements of PATH/ProVIC grant funds.

Chief of Party—The ProVIC Chief of Party is the primary representative of the ProVIC Project in the DRC. In this respect, the Chief of Party approves the ProVIC Grants Program strategy and terms of grant competition, and chairs the ProVIC Grants Evaluation Committee for grant awards made under the Grants Program.

Co-funding—Project costs financed with cash contributed or donated to the recipient by other non-US government agencies (may include public international organizations or foreign governments) and institutions, and private organizations and individuals.

Contract—A legally binding enforceable instrument used to purchase goods and services in exchange for monetary consideration. Contracts are not used for the provision of assistance and are not addressed in this Manual.

Contracting Officer's Technical Representative (or COTR)—The COTR is the USAID/DRC official responsible for administration of ProVIC. Depending on the value of the grant, the USAID Contracting Officer will delegate to the COTR the responsibility to make the final decision on the awarding of the grant. The COTR also receives any periodic reports provided by the applicable regional Grants Manager, in coordination with the Kinshasa-based Grants Manager and the Finance and Administration Specialist, detailing grants that have been awarded, amounts disbursed, and current overall Grants Program status. The COTR maintains a substantial involvement in the grant process, including the formal approval of the grant system and the awards to grant recipients.

Contribution—A contribution of cash or monetized in-kind services or equipment provided by the Grantee organization as a contribution to the overall cost of a grant.

Equipment—For the purposes of this Grants Program, equipment is defined as an article of tangible property that has a useful life of more than one year and an acquisition cost of US\$5,000 or more.

Finance and Administration Specialist—The Finance and Administration Advisor is responsible, together with the ProVIC Chief of Party and the ProVIC team, for achieving the objectives of the ProVIC Grants Program. The Finance and Administration Advisor oversees the four Grants Managers (the one based in Kinshasa and the three based in the three provincial offices), and is a voting member of the Grants Evaluation Committee.

Grantee/Recipient—An organization that has been awarded a grant by ProVIC after approval by the USAID COTR.

Grant Agreement (also referred to as Agreement or Grant)—A legal instrument that governs allocation of funds and defines roles and responsibilities of the Grantee under the ProVIC Grants Program. This type of assistance award is used by USAID to provide assistance for a project to achieve a particular goal for a specified period of time and when no substantial programmatic involvement of the funding agency is anticipated or required in the performance of the proposed activities.

Grants Evaluation Committee—The committee of people that meets intermittently to consider grant applications and approve funding, subject to approval by the USAID COTR. Voting Committee members include the ProVIC Chief of Party, the Finance and Administration Specialist, and the technical advisor relevant to the technical content of a particular grant application. The Kinshasa-based Grants Manager is a non-voting member of the Committee. Material modifications to existing grants must be approved by this Committee. The composition of the Committee may be modified by ProVIC as the emerging needs of the project warrant.

Grants Managers—The Kinshasa-based and three other regional Grants Managers review applications, draft grant documents for review by USAID, manage and monitor the grants process in collaboration with the Kinshasa- and regionally based Monitoring and Evaluation Advisors, and review and tabulate grant outputs. The Kinshasa-based Grants Manager, or his/her designee, will obtain the approval of USAID/DRC for all ProVIC grants. In their respective regions, each of the four will supervise grant funds administration and procedures under the ProVIC Grants Program. This includes the preparation of funding criteria, Grant Agreements, and other financial documents, and the monitoring of advances and disbursements to Grantees.

Implementation Plan—The document submitted as part of a potential Grantee's grant application. The implementation plan specifies the applicant's objectives and milestones of the proposed program that will be implemented using ProVIC grant funding. It therefore forms the primary source of information for evaluating the application.

PATH Country Representative—The PATH Country Representative serves as PATH’s in-country institutional representative and as an alternative representative of the project. The ProVIC Chief of Party reports on a day-to-day basis to the PATH Country Representative, who is responsible for monitoring compliance to the approved grant awards, including Grantees’ performance. The Country Representative, in consultation with the Chief of Party, provides oversight and guidance to the project’s technical components that PATH is leading, including the Grants Program.

ProVIC Project—The Integrated HIV/AIDS Program in the Democratic Republic of Congo Project is an activity funded by USAID and implemented by PATH and its Consortium partners.

ProVIC Team—The team of technical advisors working with national, regional, and local organizations. This team helps to identify potential projects and organizations for ProVIC grant funding, including, but not limited to, identifying and recommending technical studies needed for program and project development, developing technical content and appraisal criteria, and subsequently appraising the viability and cost-effectiveness of the grant applications received. The ProVIC team will review and evaluate grant outputs.

PATH (Program for Appropriate Technology in Health)—The organization that holds the prime contract with USAID for the ProVIC Project and the legal principal that will enter into a legally binding Grant Agreement with each grant recipient.

Program Income—Gross income earned by the Grantee that is directly generated by a supported activity or earned as a result of the award, with the exceptions of program income earned after the end of the project period and program income earned from license fees and royalties for copyrighted material, patents, patent applications, trademarks, and inventions produced under an award, unless the terms and conditions of the award provide otherwise. Program income includes, but is not limited to, income from fees for services performed, the use or rental of real or personal property acquired under US Federally funded projects, the sale of commodities or items fabricated under an award, license fees and royalties on patents and copyrights, and interest on loans made with award funds.

Suspension—An action by PATH or ProVIC that temporarily withdraws PATH and/or ProVIC and USAID sponsorships, in whole or in part, under an award, pending corrective action by the recipient or pending a decision to terminate the award.

Termination—The cancellation of ProVIC and USAID sponsorships, in whole or in part, under an agreement at any time prior to the date of completion.

United States Agency for International Development in the Democratic Republic of Congo (USAID or USAID/DRC)—USAID provides funds for ProVIC, approves the form and substance of this Grants Management Plan, and approves grant awards to recipients under the ProVIC Grants Program.

Value Added Tax (or VAT)—Upon award of a grant or subaward, ProVIC will advise the Grantee or subawardee of the prevailing USAID VAT reporting requirements, as agreed between the government of the DRC and the government of the United States.

Section 2.0

CODE OF CONDUCT

PATH does not condone any action that could be considered to promote or give the appearance of conflict of interest or corruption. No ongoing or potential business is worth tolerating, condoning, or participating in any act considered unlawful in appearance or in fact.

All PATH consortium partners and employees on ProVIC must follow their own respective organization's business ethics policies to ensure that no damage is done to the well-earned integrity, reputation, and business of the project, company, or the personnel of the project and company. ProVIC employees who knowingly participate in an unethical business act may face disciplinary measures, including possible termination of employment. When an employee discovers such a potentially unlawful activity, the employee must report it to the ProVIC Chief of Party and/or the PATH Country Representative.

Given the foregoing, PATH, its employees, subcontractors, and Grantees (and, if applicable, lower-tier Grantees) shall maintain the highest standards of ethical conduct governing the selection, award, implementation, and oversight of this Grants Program. Such ethical standards of conduct derive from, but are not limited to, Federal and USAID laws and regulations, and PATH's policies and procedures.

If any officer, employee, or agent of the ProVIC Project, Grantee, or subgrantee becomes aware of any allegations of unethical conduct and prohibited acts described below, the individual is obligated to immediately inform the ProVIC Chief of Party and/or PATH Country Representative of such alleged conduct, orally or in writing.

The Chief of Party and the Country Representative are authorized by PATH, in consultation and concurrence with the PATH Finance and Administration Advisor and the appropriate PATH senior management in the case of PATH employees, to investigate any such allegations and take appropriate action (including disciplinary action, including termination of employment or of the grant) to remedy, correct, mitigate, or otherwise resolve the unethical conduct or prohibited acts.

Any individual, Grantee, or subcontractor found guilty of such prohibited actions shall be subject to termination of employment, grant, subaward, or contract, and may be subject to criminal prosecution under the US Criminal Bribery and Illegal Gratuities statute and the US Foreign Corrupt Practices Act.

Ethical standards of conduct applicable to the Grants Program Grantees and their officers, employees, consultants, subgrantees, and agents are described below:

- *Organizational or Personal Conflict of Interest*—No employee, officer, or agent of the ProVIC Project, the Grantee, or subgrantee shall participate in the selection, award, or administration of a grant or subgrant supported by USAID funds if a real or apparent conflict of interest would be involved. Such a conflict may arise when the employee, officer, or agent, any member of his or her immediate family, or partner, or an organization that

employs or is about to employ any of the parties indicated herein, has a real or perceived financial or other interest in the organization selected for award. In the review and implementation of grants, PATH/ProVIC reserves the right to investigate an application or a grant due to any real or perceived conflict of interest. In the event that PATH determines that conflict of interest exists, PATH may disqualify an application or terminate a grant.

Definition of conflict of interest: A conflict of interest is any interest, financial or otherwise, direct or indirect; participation in any business, transaction, or professional activity; or incurring of any obligation of any nature which is or appears to be in substantial conflict with the proper discharge of duties in relation to a PATH-funded project. Conflict of interest includes, but is not limited to:

- An occasion when an individual's private interest differs from his or her professional obligations.
 - A situation in which professional actions or decisions occur that an independent observer might reasonably question.
 - Nepotism, i.e., favoritism shown to a relative on the basis of an immediate family relationship. (Note: Immediate family can be defined as parents, children, siblings, grandparents, same categories of in-laws, foster and step children, and anyone living in the same household as a family.)
- *Anti-kickback and Bribery*—The officers, employees, and agents of the PATH, ProVIC, the Grantee, or subgrantee shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, Grantees, subgrantees, or third parties.
 - *Prohibition on Transaction with or the Provision of Resources and Support to Individuals and Organizations Associated with Terrorism*—Pursuant to US Executive Order No. 13224 and US law, transactions with and the provision of resources and support to individuals and organizations associated with terrorism is prohibited under PATH, ProVIC and its grants, subgrants, and subcontracts issued hereunder. It is the legal responsibility of the Grantee, its officers, employees, agents, and any lower-tier Grantees or contractors to ensure compliance with this Executive Order and US law. This provision will be incorporated into all grants, with a requirement to flow this provision down to all lower-tier agreements.

Section 3.0

PROGRAM POLICIES

3.1 Eligible Organizations

ProVIC grant support may be extended to local nonprofit, for-profit, and/or nongovernmental organizations that provide training, education, goods, and services, provided they have current or are engaged in renewing legal registration in the DRC. In particular, grant and subaward beneficiaries will be organizations providing HIV/AIDS care, services, counseling, and testing.

3.2 Ineligible Organizations

ProVIC support may not be extended to the following:

- Political parties, groupings, or institutions or their subsidiaries and affiliates.
- Organizations that advocate, promote, or espouse anti-democratic policies or illegal activities.
- Any entity whose name appears on the US government's *List of Parties Excluded from Federal Procurement and Non-procurement Programs*.

3.3 Eligible Activities

Funding under the ProVIC Grants Program shall be used to finance direct local expenses, including, but not limited to:

- The ProVIC Grants Program is designed to further USAID/DRC's results framework. Execution of grant-funded activities must take place in the DRC and meet the overall objectives of the Office of HIV/AIDS in USAID's Bureau for Global Health and the ProVIC Grants Programs.
- The proposed activities to be funded under the ProVIC Grants Program must promote the overall objectives of the ProVIC Grants Program as set forth in Section 1.1 above.
- The proposed activities to be funded under the ProVIC Grants Program may be the sole or primary work of an organization, or a special dimension or function of an organization largely dedicated to other projects.
- Grants may cover necessary costs linked to the execution of the activities, such as project staff salaries, experts' fees, training, meetings and seminars, publications, purchase and rental of equipment and furniture, and office and local travel expenses.
- No funding will be awarded or allowed for the ineligible activities listed under Section 1.6 below.
- Project activities can only start after the signing of the Agreement between the applicant and PATH. Costs incurred before the signing of the Agreement will not be reimbursed without prior written approval by PATH with USAID approval.

3.4 Ineligible Activities and Unallowable Costs

Under the ProVIC Grants Program, unallowable costs, direct or indirect, include, but are not limited to, the following examples:

- Any expenses related to entertainment, parties, celebrations, or “representation.”
- Purchases of goods or services restricted or prohibited under prevailing USAID source/origin/nationality and other regulations; or from countries or suppliers as may be identified by USAID’s consolidated list of debarred, suspended, or ineligible subcontractors. These countries are Cuba, Iraq, Iran, Laos, Libya, North Korea, and Syria.
- Any purchases or activities unnecessary to accomplish grant purposes as determined by the ProVIC Project.
- Creation of endowments.
- Any Grantee headquarters’ expenses that are not directly linked to implementation of the proposed project.
- Expenses of any training programs other than those integral to achievement of the targets specified in the proposed project.
- Purchase of surveillance equipment, military equipment or arms whether new or surplus, police or law enforcement equipment, abortion equipment and services, weather modification equipment, luxury goods, and/or gambling equipment.
- Any previous obligations, including those by USAID to the Grantee.
- The bad debts of the Grantee.
- Fines imposed on the Grantee.
- Taxes, including local withholding and employee taxes.
- Losses of grant funds and losses on other awards.
- Advertising.
- Fundraising.
- Investment management costs.
- Penalties imposed on the Grantee.
- International air travel is generally ineligible, except under unusual circumstances and only with specific, advance approval by USAID.
- Other costs unallowable under USAID regulations, as stipulated in this Manual and the attached Standard Provisions.

Note: Before incurring a questionable or unique cost, the Grantee shall obtain the ProVIC Project’s written determination on whether the cost will be allowable.

Section 4.0

IDENTIFICATION OF GRANTEES

4.1 Identification of Potential Grantees

After issuing a competitive Request for Applications from small but promising organizations, or after engaging in another form of competitive process, we will short-list NGOs and train them to prepare grant applications and budgets, as well as reinforce their technical and organizational skills. Applicant organizations that are identified as capable by the ProVIC capacity assessments will then submit applications using the Grant Applicant and Recipient Handbook, which will be provided them by ProVIC to ensure each applicant's compliance with PATH, ProVIC and USAID/DRC objectives. ProVIC will also work with potential Grantees based on the recommendation of the USAID Mission in the DRC. While less competitive, these organizations will also undergo all applicable capacity assessments by the ProVIC team.

4.2 Application Assistance

Because not all applicants are experienced in project development and in applying for assistance, applicants may receive training and technical assistance support from the ProVIC Project to upgrade their operations and/or organization in order to meet USAID grant requirements. The strengths and weaknesses of the applicant will be assessed, technical assistance or training needs will be identified, and support for overall strengthening of the organization may be provided, as needed. However, assistance in filling out a grant application shall not be financed from funds that may be approved under the grant itself.

Section 5.0

GRANT APPLICATION PROCEDURES

When the ProVIC Grants Manager for the applicant's region receives a Request for Application, s/he shall formally issue the applicant a copy of the ProVIC Grant Applicant and Recipient Handbook, which contains the necessary instructions and forms to apply for a grant or subaward. It also has information concerning prevailing USAID regulations/provisions. The Grants Manager will also create a Grant Process Tracking Form (see Annex A) to record the application request. Applicants shall complete the Grant Application Form in English or French.

5.1 Grant Applications

Grant applications must include the following:

- Completed Grant Application Form, including the associated budget (see Grant Applicant and Recipient Handbook, Annex A).
- Copy of the organization's valid DRC registration certificate, or proof that renewal is in process.
- Copy of the organization's charter.
- Copies of the most recent annual financial reports, income/losses statement, and balance sheet.
- Signed copies of the Required Certification Package (see Grant Applicant and Recipient Handbook, Annex B), which includes:
 1. *Prohibition on Assistance to Drug Traffickers for Key Individuals.*
 2. *Certification Regarding Lobbying for Grants and Cooperative Agreements.*
 3. *Certification Regarding Terrorist Financing.*

The Grant Application Form provides a standardized format for review of the major elements of the proposed activity. Based on a review and evaluation of the information presented in the application, ProVIC will either approve or disapprove the proposed activity. All grant applications will be held in a locked, secure location at the ProVIC Project office. Applications that are rejected during the ProVIC screening or evaluation process, or are not approved by USAID, will be held for 30 days and then shredded. Applications will not be returned to the applicants.

The major elements of the grant application are:

Section I—Basic Information

Items 1–3: Applicant's name, address, etc.; legal status and representative; and the Authorized Agent, who is the key contact person responsible for all communications with ProVIC concerning all aspects of the grant, from initial summary through completion. The Authorized Agent must have full authority and responsibility to act on behalf of the Grantee. The Authorized Agent should be

someone who is directly involved with the grant activity and has a proven, established relationship with the Grantee.

- Item 4: Briefly describes the organization and its activities—This section introduces the potential Grantee organization and its background:
- How the organization was formed.
 - Its mission or purpose.
 - Major accomplishments in the area of the targeted activity.
 - Past and/or current related activities and clients.

Section II—Project Description

- Items 5–6: Grant project title, objectives, results to be achieved, and linkage to the ProVIC objectives—The objectives should relate to the ProVIC Grants Program objectives.
- Item 7: Indicators and methodology for measuring results of the project—The applicant must present a sound but simple methodology for quantifying and qualifying indicators of achievement. If the methodology relies on baseline data, that data must be present and reliable prior to the grant activity.
- Item 8: Indicators for appraising this application for grant funding.
- Item 9: Definition of successful achievement of grant objectives—The applicant should define what constitutes successful achievement of the sought-after objective.
- Item 10: Identifies the grant-funded activities' direct and indirect beneficiaries, number, and how they will benefit.
- Item 11: Plan for disseminating lessons learned from the activities to other organizations that work to address HIV/AIDS issues (if applicable).

Section III—Project Implementation Plan

The proposed implementation plan should be task driven. Each task must be:

- Complete and sound.
 - Integrated and scheduled with dependent tasks.
 - Assigned to a responsible party.
 - Defined in terms of resources required.
 - Concluded with viable milestones of achievement and milestones must be linked to results.
- Item 12: Grant activity implementation plan—The form allocates space for three tasks; however, the applicant may subdivide the implementation plan into more than three tasks or into fewer than three tasks. The tasks listed must show a logical, thoughtful approach to the overall implementation plan. Tasks should describe

actions and be logically sequenced. Each task must contribute to the achievement of the activity objective.

Items 13–14: Estimated dates of start-up and completion—The duration of the grant can be derived from these two dates.

Item 15: List of all relevant material assumptions made and/or conditions precedent required for the achievement of the grant objective.

Section IV—Experience and Capacity

Item 16: Previous or ongoing experience implementing similar activities—Applicants must submit a list of all contracts, grants, or cooperative agreements involving similar or related programs over the past three years. Information about each of these previous donor or grantors shall include:

- Location.
- Current telephone/fax numbers and email address.
- Points of contact.
- Award number (if available).
- A brief description of the work performed.

This section is where the applicant presents its proven track record of success. This is a critical factor in assessing the capacity of the Grantee to implement the activity.

Section V—Grantee Contribution

Items 17–18: Definition of Grantee’s cash or in-kind contributions (cost-sharing). Co-funding (funding from other sources) is authorized on a ProVIC grant-funded project. This information is helpful in determining cost realism in terms of allowability, allocability, and reasonableness.

Item 19: Identification of long-term, recurrent commitments resulting from the activities, and the plan for sustainable coverage.

Section VI—Budget

Project Budget Form. This form, when properly completed, reviewed, and approved, serves as the mutually agreed-upon guide for activity financial management. All ProVIC activity costs support must be identified. When reviewing cost data, the applicant should avoid proposing amounts that could be unrealistically high or unrealistically low. To be successful, a grant activity must be adequately funded—not over-funded or under-funded.

Budget Flexibility. ProVIC restricts the transfer of funds among the budget line items with an aggregate amount of 10 percent per line item. The Grantee must obtain prior approval via a no-cost amendment from the applicable regional Grants Manager before making budget shifts which expect to exceed 10 percent of the total budget

Administration and Management. These are direct costs that will be incurred by the Grantee *to provide general administrative and management support* to the activity:

- *Salaries*—Salary or any other form of direct payment of grant funds to any Grantee administrative or management employee. Overtime in compliance with DRC labor laws may be charged to the grant.
- *Benefits*—Per the Grantee’s established policy and procedures, and the laws of the DRC (or, if applicable, a verified Negotiated Indirect Cost Recovery Agreement [NICRA] rate).
- *Equipment and Furniture*—This covers nonexpendable supplies and goods (e.g., equipment and furnishings) that have a useful life of one year or more that are required for the activity. The purchase of such goods must meet the USAID source and origin requirements as set forth in the Mandatory Standard Provisions.
- *Supplies*—This covers expendable supplies (e.g., paper and stationery) that are necessary for the effective administration and management support of the activity.
- *Local Travel and Transport*—This line item covers staff and/or Grantee local travel costs and per diem, plus the cost of transporting activity materials.
- *Other Direct Costs*—This covers non-personnel-related costs such as expert fees, short-term trainer’s fees, rent, utilities, cleaning services, audits (if required by PATH [see Section 7.5, Audits and Records Management, below]), etc., that are required to support the grant activity and are required to support the general administrative and management function.

Direct Activity Funding. These are direct costs incurred by the applicant *to implement* the grant activity implementation plan:

- *Salaries*—Salary or any other form of direct payment of grant funds to any Grantee employee who is directly engaged with the grant activity implementation plan. Overtime in compliance with DRC labor laws may be charged to the grant.
- *Benefits*—Per the Grantee’s established policy and procedures, and the laws of the DRC (or, if applicable, a verified NICRA rate).
- *Equipment and Furniture*—This covers nonexpendable supplies and goods (e.g., equipment and furnishings) that have a useful life of one year or more that are required for the activity. The purchase of such goods must meet the USAID source and origin requirements as set forth in the Mandatory and Required as Applicable Standard Provisions.
- *Supplies*—This covers expendable supplies (e.g., paper and stationery) that are necessary for the effective implementation of the grant activity.
- *Local Travel and Transport*—This covers staff and/or Grantee local travel costs and per diem, plus the cost of transporting activity materials.
- *Other Direct Costs*—This covers non-personnel-related costs such as expert fees, short-term trainer’s fees, rent, utilities, cleaning services, etc., that are required to support the grant activity and are required to support the general administrative and management function.

The Grant Application Form and its components are described in further detail in the PATH/ProVIC Grant Applicant and Recipient Handbook, Annex A.

5.2 Grant Application Budget

The budget is the expression in financial terms of the activities the project proposes to undertake, and what it hopes to achieve. The standardized grant application budget form serves three major purposes:

- It presents the projected grant-funded cash cost for an activity, by source.
- Because it is broken down into line items and descriptions, it provides an indication as to how funding will be allocated and used.
- Because each Grantee must report usage of grant funds against this budget, it ensures a uniformity of financial reporting across all grants.

It is important that the budget clearly indicate where specific project funds are to come from (from USAID or the applicant's cost-sharing contribution). Contributions from the Grantee must be documented.

To ensure proper management and tracking of each grant disbursement, the budget will be broken down into projected quarterly expenses. This will enable ProVIC to plan Grants Program expenses and to prepare timely funds transfers for each advance or reimbursement payment. The Grantee shall prepare a financial projection for each forthcoming period and provide a report on actual expenses incurred in the previous period of grant operation. PATH will submit periodic reports to USAID on actual and projected grant disbursements.

5.3 Grantee Contribution

ProVIC will make efforts to encourage Grantee contributions. While there is no minimum required contribution for nonprofit NGOs, ProVIC will work with each Grantee to negotiate a level of contribution appropriate to the organization's resources and to the activity in question. For-profit firms receiving ProVIC agreement will be required to contribute a pre-negotiated percentage of the total project cost as a contribution.

- The Grantee's contribution may be met through a cost-sharing contribution or program income, or some combination of the two. The nature and amount of this contribution must be clearly defined in the grant application and in the grant instrument. The applicant must identify the means to verify this contribution.
- If an applicant is able and willing to contribute office space, equipment, staff time, etc., a reasonable and fair value should be imputed by the applicant to this contribution so that it can be properly recognized.
- The fair value of voluntary labor and other in-kind contributions will be considered as Grantee contribution. ProVIC recognizes that this will be the main contribution that many small, local NGOs, civil society organizations, community associations, and indigenous organizations will be able to provide.

- In accordance with 22 CFR (Code of Federal Regulations) 226.24, program income (if anticipated) may be used to finance the non-Federal share of the award, with the approval of the applicable regional Grants Manager.

5.4 Preparation and Submission of Application

Grant applications are to be submitted directly to ProVIC as specified in the applicable Request for Applications.

As soon as practicable, the applicable regional Grants Manager or his/her designee will:

- Create a Grant Process Tracking Form (Annex A) regarding the application.
- Log each application into the ProVIC grants database and update the database at every step of the evaluation, award, funding, and monitoring process.
- Create a hard-copy grant file containing all information pertaining to the grant at any point in time.
- Acknowledge the receipt of each application received by ProVIC.
- Screen each application (see Section 5.5 below).

5.5 Screening and Technical Review/Evaluation

In accordance with USAID terms and conditions, all applications will be reviewed by at least three ProVIC staff members.

Screening. The purpose of the screening process is to identify eligibility or ineligibility of activities for further evaluation by the ProVIC Grants Evaluation Committee, which is made up of the ProVIC Chief of Party, the Finance and Administration Specialist, and a technical advisor relevant to the technical content of a particular grant application. The applicable ProVIC Grants Manager is responsible for the screening process, including completing the Grant Screening Checklist (see Annex B). The screening also could include site visit(s) to the applicant by appropriate technical personnel. Upon completion of the Screening Checklist, the Kinshasa-based Grants Manager will submit suitable applications to members of the ProVIC Grants Evaluation Committee.

The applicable regional Grants Manager will perform a Pre-award Responsibility Determination and Financial Assessment in order to verify the applicant's capacity to adequately perform in accordance with USAID and USAID Office of Management and Budget established principles.

This Responsibility Determination and Financial Assessment will include the following:

- A. A positive or negative determination that the applicant possesses, or has the ability to obtain, the necessary management competence to plan and carry out its proposed program(s), and that it will practice mutually agreed-upon methods of accountability for funds and other assets provided by USAID through PATH.

- B. A verification that the applicant does not appear on the *List of Parties Excluded from Federal Procurement and Non-procurement Programs*.
- C. For organizations with a continuing relationship with USAID, the applicable regional Grants Manager will rely on the following:
- A positive review of audits performed in accordance with the Guidelines for Financial Audits Contracted by Foreign Recipients.
 - Signed copies of the applicable statutory and regulatory certifications.
 - The quality of the applicant's past performance on similar projects, as evaluated.
- D. For organizations new to USAID, or for organizations with outstanding audit findings, the applicable regional Grants Manager or his/her designee will conduct an informal or desk survey, for which the organizations shall submit the following information:
- Projected budget, cash flow, and organizational chart.
 - Copies of applicable policies and procedures (e.g., accounting, purchasing, property management, personnel, etc.).
 - Copy of last 2 years of audits if applicable.
- E. An assessment of the applicant's administrative and financial systems to ensure that the applicant's systems and procedures comply with USAID accountability and reporting requirements. In the event that PATH/ProVIC determines that the applicant's administrative and financial systems are not in compliance with USAID requirements, the applicant must adopt and implement the systems recommended by PATH/ProVIC in order to be eligible for grant award.
- F. A Pre-award Responsibility Determination and Financial Assessment will not be conducted for Simplified Grants or for Fixed Obligation Grants, but the Grantees' past performance history will be considered.

Environmental Impact Assessments. No project funds will be disbursed until all USAID-required environmental guidelines have been completed by the grantee, or upon certification that the grant-funded project will not have any detrimental environmental impact. USAID regulations specify that no funds shall be disbursed for grant activities prior to an Environmental Assessment, except those qualifying for a Categorical Exclusion or already covered by existing Environmental Review and Evaluation. ProVIC will work closely with the USAID/DRC Mission's Environmental Officer to ascertain what type of environmental assessment is needed, whether it requires an Environmental Impact Assessment, and Environmental Review, an Environmental Evaluation, or other type of requirement. ProVIC will also work closely with grantees to make sure that all regulations are being properly followed, and will provide training and support in environmental regulations.

Technical Review/Evaluation. The Kinshasa-based Grants Manager will schedule a meeting of the ProVIC Grants Evaluation Committee at least a week prior to the date of the meeting, and send copies of the grant applications to all Committee members. All members shall attend the meeting. A majority of votes is required to either recommend or not recommend an application for approval by the USAID COTR. The technical review process conducted by the ProVIC Grants Evaluation Committee will include the Committee completing the Evaluation/Selection

Criteria Form (see Grant Applicant and Recipient Handbook, Annex C), and providing comments about each application. When the evaluation/ratification process is complete, the Evaluation/Selection Criteria Form will be signed by the Chief of Party. Also, the Chief of Party shall signify the evaluators' decision in the appropriate space provided on the ProVIC Grant Appraisal Memorandum (see Annex C.1), which will be forwarded to USAID for its approval once the entire process has been completed (see Section 5.6 below).

5.6 Evaluation Criteria

Grant applications will be evaluated according to the degree the applicant's proposed grant-funded program satisfies ProVIC program principles of design and approach, impact on target groups and beneficiaries, sustainability, results orientation, and cost efficiency, using the specific evaluation criteria below. A grading system will be used to evaluate applications, including the maximum points that may be awarded for each criterion. The criteria below will generally be applied.

Evaluation category	Maximum points (100 total)
Design and Approach	20
Impact on Target Group	20
Management and Programmatic Capacity	15
Sustainability	20
Cost Efficiency	10
Past Performance	10
Other Strengths	5
Total Possible Points	100

Design and Approach—The quality and feasibility of the application in terms of the appropriateness of the proposed methodology, innovativeness, and the work plan for achieving project objectives. Proposed mechanisms for monitoring and evaluation with objectively measurable indicators will also be appraised. (20 points)

Impact on Target Group—The extent to which the proposed activity corresponds to the needs of target group and will directly benefit them. Also, the degree to which it will directly or indirectly stimulate other organizations and resources to develop or implement activities supporting the objectives of the ProVIC Grants Program. (20 points)

Management and Programmatic Capacity—Evidence of the capability to undertake and accomplish the proposed activities. Appraisal will be based principally on reference checks and other screening tools used by ProVIC to verify the background, qualifications, reputation, and skills of its key personnel; and the “track record,” reputation, and achievements (including development of self-sufficient, sustainable activities) of the organization involved. (15 points)

Sustainability—The extent to which the funded activity will result in building and strengthening the capacity of the community and local organizations, and whether the activity itself is sustainable or will stimulate sustainability of the organization. (20 points)

Cost Efficiency—The degree to which budgeting is clear and reasonable and reflects best use of organizational and grant resources. The local contribution reflects commitment to the project by the targeted beneficiaries and local institutions. (10 points)

Past Performance—Previous or ongoing experience implementing similar activities. This is where the applicant presents its proven track record of success. This is a critical factor in assessing the capacity of the Grantee to implement the activity. (10 points)

Other Strengths—The grant application demonstrates other strengths, such as innovative approach, a meaningful public information component, and potential for replication. (5 points)

Section 6.0

TYPES OF GRANTS AND AWARDING PROCEDURES

6.1 Types of Grants

Three types of grants may be utilized under the ProVIC Grants Program:

- Standard Project Grant.
- Simplified Grant.
- Fixed Obligation Grant.

The applicable regional Grants Manager will determine the type of grant to be used, based on the following criteria and the information provided by the Grantee in the Grant Application Form. PATH/ProVIC will also consider the type of grant, size of the award, and the Grantee's financial capability in determining payment terms. Other factors in the decision of which grant instrument is most appropriate include:

- Whether the grant budget includes a Grantee in-kind or cash contribution.
- Whether the applicant's administrative and financial systems are adequate to meet USAID accountability and reporting requirements.
- Whether the applicant requires advances of grant funding, or will be paid on a cost-reimbursement basis.
- US dollar value of the project. (Note: ProVIC anticipates that the average grant value will not exceed US\$250,000.)
- Whether there will be subgrants under the grant award.
- Whether the grant budget includes indirect costs.
- The total value of any individual grant to any US organization must not exceed US\$100,000, in accordance with USAID terms and conditions.
- Nature of the grant activity.

Type of grant	Value (US\$)	Payment type	Characteristic
Standard Project	up to \$250,000	Advance	Advance payments only; may include subawards.
Simplified	up to \$250,000	Reimbursement	Cost reimbursement; subawards allowed.
Fixed Obligation	Up to \$250,000	Reimbursement	Very specific program elements; no requirement for ProVIC or USAID to monitor actual costs incurred; supports specific projects where costs are certain; and accomplishment of purpose or milestone is readily discernible, such as conferences and

			supplies.
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Regardless of the type of grant to be awarded, ProVIC requires all applicants for all grants and subawards to sign a Required Certification Package (see Grant Applicant and Recipient Handbook, Annex B), consisting of the following three certifications:

- *Prohibition on Assistance to Drug Traffickers for Key Individuals.*
- *Certification Regarding Lobbying for Grants and Cooperative Agreements.*
- *Certification Regarding Terrorist Financing.*

1. Standard Project Grant

The Standard Project Grant is one type of grant to be used under the ProVIC Grants Program. It contains all Mandatory Standard Provisions, as well as Required as Applicable Standard Provisions. The Standard Project Grant format is used if one or more of the following conditions apply:

- A. The recipient requires advances.
- B. ProVIC funding covers the cost of the entire activity (the grant does not include a contribution or co-funding, although the Grantee may provide an in-kind contribution).
- C. There is no limitation on the maximum or minimum amount of the grant award under the Standard Project Grant.
- D. Nonexpendable equipment and furniture with a value of US\$5,000 or more may be authorized by the grant; however, equipment and furniture must meet rules on source/origin.
- E. The grant may be incrementally funded.
- F. The grant may include subagreements.
- G. In exceptional cases, the grant budget may include programmatically necessary international travel, but it will require prior PATH and USAID authorization.

Increased Grantee financial accountability and reporting accompanies the use of the Standard Project Grant format, as the provision and reconciliation of advances entails more detailed Grantee financial reporting than under other grant types.

If an applicant or recipient has (1) a history of poor performance, (2) is not financially stable, (3) has a management system that does not meet the standards prescribed in the US government regulations, (4) has not conformed to the terms and conditions of a previous award, or (5) is not otherwise responsible, ProVIC may impose additional requirements as needed, provided that such applicant or recipient is notified in writing as to:

1. The nature of the additional requirements.
2. The reason why the additional requirements are being imposed.
3. The nature of the corrective action needed.
4. The time allowed for completing the corrective actions.
5. The method for requesting reconsideration of the additional requirements imposed.

Any special conditions will be promptly removed once the conditions that prompted them have been corrected.

2. Simplified Grant

This type of grant will be used only when the grant meets the following conditions:

- A. The recipient shall receive payment on a reimbursement basis (no advances).
- B. The total of the grant does not exceed US\$250,000.
- C. All costs to be charged to the grant are identified in the grant narrative and budget.
- D. Any goods to be purchased meet the rules governing local cost financing, and no single item having a useful life of more than one year and an acquisition cost of US\$5,000 or more shall be purchased. When equipment and furniture of a higher value than US\$5,000 is authorized, the Required as Applicable Standard Provision entitled “USAID Eligibility Rules for Goods and Services” (September 1998) must be attached to the grant.
- E. Grantee contributions are encouraged but not mandatory for the use of this grant.
- F. The grant may be partially funded.
- G. The grant may include subagreements.
- H. Costs do not include international airfares. However, if USAID provides exceptional, advance authorization for international travel, then the Required as Applicable Standard Provision entitled “International Air Travel and Transportation” (June 1999) must be attached to the grant. These costs are rare and not encouraged under this type of grant mechanism.

3. Fixed Obligation Grant

The Fixed Obligation Grant format allows for the award of a grant for very specific program elements without a requirement for ProVIC or USAID monitoring of actual costs incurred in the performance of the grant. ProVIC will use this type of grant to support specific projects where there is a certainty about the cost, and in which the accomplishment of the purpose or milestone in the grant is readily discernible, such as conferences and supplies.

The structure of payments is important in the Fixed Obligation Grant. Grantees will be paid a set amount upon accomplishment of benchmarks or milestones. Therefore, ProVIC must be satisfied that the Grantee has sufficient cost history to negotiate the payments, and also to ensure that the funds requested will be the actual cost of the effort so that funds will not be remaining upon completion of the project.

ProVIC must also be satisfied that the issuance of a Fixed Obligation Grant will fit within the objectives of the Grants Program, and not be used solely as an alternative way to deal with what would be considered otherwise a “high-risk Grantee.” Grant closeout is accomplished with ProVIC acceptance of the final milestone and approval of payment. ProVIC may specifically authorize the use of Fixed Obligation Grants by a Grantee in subgrants when the same standards for application are met.

This type of grant may be used when the grant meets the following conditions:

- A. The recipient shall receive payment on a reimbursement basis (no advances).
- B. The total of the grant does not exceed US\$250,000.
- C. All costs to be charged to the grant are identified in the grant narrative and budget.
- D. Any goods to be purchased meet the rules governing local cost financing, and no single item having a useful life of more than one year and an acquisition cost of US\$5,000 or more shall be purchased. When equipment and furniture of a higher value than US\$5,000 is authorized, the Required as Applicable Standard Provision entitled “USAID Eligibility Rules for Goods and Services” (September 1998) must be attached to the grant.
- E. Programmatic accomplishments or results in establishing grant milestones can be easily identified and quantified.
- F. There is limited risk that there will be changes to the program.
- G. Adequate cost information (historical or unit pricing) is available to determine and negotiate the fixed price of the grant.
- H. Costs do not include international airfares. However, if USAID provides exceptional, advance approval for international travel, then the Required as Applicable Standard Provision entitled “International Air Travel and Transportation” (June 1999) must be attached to the grant. These costs are rare and not encouraged under this type of grant mechanism.

Note: Under the Standard Project, Simplified, and Fixed Obligation Grant formats, the following statements shall be included:

- 4. PATH/ProVIC has the right to terminate in whole or in part, or suspend payments, should the Grantee become insolvent during performance of the award.
- 5. The Grantee must certify in writing to the ProVIC Project at the end of the grant that the activity was completed. If the Grantee cannot certify completion, then it shall be expected to make appropriate reimbursements to ProVIC.
- 6. PATH, USAID, and their authorized representatives shall have free access to the Grantee’s books, documents, papers, records, and receipts related to funds disbursed under this Grant Agreement, for the purpose of conducting audits, examinations, and evaluations of the progress in achieving grant objectives.

6.2 Grant Award Decision

After the evaluation of the grant application conducted by the Grants Evaluation Committee, as described in Section 5.0, Grant Application Procedures, the applicable regional Grants Manager will complete one of the following actions:

- Award the grant, subject to USAID COTR approval.
- Not award the grant.
- Return the application to the applicant, indicating deficiencies or additional information required before further consideration can be given. If an application is returned to the

applicant as “not approved,” this will not prevent the applicant from submitting a new application at some later date.

The applicable regional Grants Manager or his/her designee will prepare a ProVIC Grant Appraisal Memorandum (Annex C.1) documenting the decision to award, not award, or return the application. The Appraisal Memorandum will include the following:

For applications recommended for award:

- Rationale for award.
- Main strengths and weaknesses, as identified by the Grants Evaluation Committee.
- Type of grant to be awarded.
- Responsibility determination and result of financial assessment.

The Pre-award Responsibility Determination and Financial Assessment will state what steps, if any, are necessary to bring the applicant’s administrative and financial systems into full compliance with PATH and USAID standards for funds control and accountability. Prior to disbursing the first advance, the applicable regional Grants Manager will confirm whether the Grantee has adopted and/or implemented the PATH-recommended systems and procedures, if any, in order to exercise effective control over, and accountability for, funds, property, and other project assets.

For applications not recommended for award:

- Rationale for non-award.
- Main weaknesses and strengths (if any) of the application, as identified by the applicable regional Grants Manager and the Grants Evaluation Committee.
- Type of grant applied for.
- Responsibility determination and result of the financial assessment.

Applications not recommended for award will be held in a locked, secure location at the ProVIC office and, after 30 days, shredded. An application that is not recommended for award will not be returned to the applicant.

For applications to be returned to the applicant for additional information:

- Necessary technical and budgetary changes must be made to the application according to the applicable regional Grants Manager and the ProVIC Grants Evaluation Committee.
- Necessary changes to the application must be made to bring the proposal in compliance with ProVIC Grant Applicant and Recipient Handbook policies and USAID regulations.

6.3 Required Award Documentation (Grant File)

The applicable regional Grants Manager will prepare a comprehensive hard-copy grant file containing the following documentation:

- Applicant's Grant Application Form (including budget).
- Applicant's signed Required Certification Package.
- Completed Grant Screening Checklist.
- Evaluation sheets completed by the ProVIC team.
- Pre-award Responsibility Determination and Financial Assessment.
- ProVIC Grant Appraisal Memorandum.
- Grant Agreement.

The applicable regional Grants Manager also will enter data into the fields of the grants database.

6.4 Period of Grant Agreement

The grant will include language specifying the effective date and estimated completion date of the grant. The Grant Agreement period may be extended by the ProVIC Project with appropriate justification and USAID approval. Because the end date of PATH's prime contract with USAID is September 30, 2014, the "Grant Activity Completion Date" cannot be extended beyond March 30, 2014, which is six months prior to the completion date of the prime contract.

No grant application will be considered for retroactive funding. Grantee expenditures incurred prior to the effective date of the Grant Agreement, or after the estimated completion date, will not be reimbursed.

6.5 USAID Grant Approval

The Kinshasa-based Grants Manager will forward the ProVIC Grant Appraisal Memorandum (Annex C.1) to the USAID COTR for approval. The USAID Contracting Officer will decide the value of the grant the COTR is authorized to approve (see Annex C.2 for the transmittal letter template).

After the COTR or Contracting Officer approves the issuance of the grant by signing the ProVIC Grants Appraisal Memorandum, the applicable regional Grants Manager will prepare the Grant Agreement for the signatures of the Grantee and PATH/ProVIC.

The applicable regional Grants Manager will inform the Grantee of the award by letter and will send the Grantee three original copies of the Grant Agreement in the applicable format, either (1) Standard Project Grant (see Grant Applicant and Recipient Handbook, Annex D); (2) Simplified Grant (see Grant Applicant and Recipient Handbook, Annex E); or (3) Fixed Obligation Grant (see Grant Applicant and Recipient Handbook, Annex F). The applicable regional Grants Manager will discuss with the Grantee the terms and conditions of the Agreement; relevant USAID and other US government regulations; and relevant ProVIC Grants Program procedures, including, but not limited to, those relating to mutual expectations during grant implementation. This is to ensure full understanding on the part of both the Grantee and the ProVIC Project staff

as to how the implementation will proceed and to ensure that the Agreement accurately reflects this understanding.

After the applicable regional Grants Manager's discussion with the Grantee, the Grantee will sign and send the three completed original copies of the Grant Agreement to the ProVIC Project office, where the Director of Finance and Administration, who is authorized to sign on behalf of PATH, will sign the documents. One original copy of the Agreement will be sent to the COTR, one will be sent to the Grantee, and one will be kept on file in a secure, locked location in the ProVIC Project office.

6.6 Grant Advances

Payment terms will vary depending on the type of grant agreement awarded. Advances cannot be made under Simplified and Fixed Obligation Grants; under these types of grants, the Grantee will be reimbursed for costs incurred.

Advances may be made under the Standard Project Grant format. After the parties have executed the Grant Agreement, the Grantee will receive an initial advance of funds, which will be the amount specified for the first quarter (three months) of activities described in the approved budget. ProVIC reserves the right to initially disburse advances and require liquidations on a monthly basis for organizations deemed to have less experience or less capacity in managing grant funds.

Subsequent advances shall be made quarterly, based on the approved budget and liquidation of the previous advance, and following the procedures in Section 7.3, Advance Disbursement and Liquidation Procedures: Under Standard Project Grant (below).

6.7 Grant Disbursement Procedures

Grant funds will be disbursed in US dollars based on a disbursement schedule presented and agreed to by PATH and ProVIC for allowable costs incurred using a combination of one or more of the following payment methods:

- A. *Payment via Advance (used exclusively in the Standard Project Grant)*—Payable to the Grantee in the form of an advance that the Grantee will retire by subsequent presentation of bona fide receipts evidencing payment for the allowable expenses incurred and a report of project progress; and/or
- B. *Payment via Expense Reimbursement (the only approved method for Simplified and Fixed Obligation Grants)*—Payable to the Grantee against presentation of bona fide receipts for allowable expenses incurred and a project progress report; and/or
- C. *Payment via Direct Vendor Payment (can be used in any type of grant)*—Payable to the vendor(s) specified by the Grantee against bona fide invoices which have been endorsed by the Grantee organization, including a signed statement by the Grantee organization confirming that the goods and services have been received from the vendor organization. In certain instances, an advance or deposit may be provided, so as to facilitate prompt action by

a vendor. In such cases, such payments may be authorized against the documentation specified above.

6.8 Terms and Conditions of Grant

The terms and conditions and Mandatory Standard Provisions and Required as Applicable Standard Provisions that control the grant are set forth in the Grant Agreement. They are non-negotiable, and must be strictly adhered to by the Grantee. The terms and conditions, Mandatory Standard Provisions, and Required as Applicable Standard Provisions will govern the resolution of any ambiguities, questions, or disputes that may arise in the course of grant implementation.

6.9 Implementation Responsibilities

Grantee Implementation Responsibilities. Upon the signing of a Grant Agreement, the applicant, now understood to have become the “Grantee,” will begin implementation of its grant program according to the programmatic time frame agreed upon with PATH/ProVIC in the Grant Agreement. Consistent with the terms and conditions set forth in the Grant Agreement, the Grantee agrees to:

- Comply with all policies, procedures, and stipulations contained in the PATH/ProVIC Grant Applicant and Recipient Handbook, a copy of which PATH/ProVIC will provide to the Grantee.
- Prepare and submit project documentation to PATH, and provide an Authorized Agent to represent the Grantee on issues related to project follow-up and evaluation.
- Allow PATH/ProVIC staff and/or USAID to visit project sites and to carry out technical inspections.
- Request approval for any project changes, in writing, from the applicable regional Grants Manager.
- Give full cooperation to PATH and USAID in their oversight of the project.

PATH/ProVIC Implementation Responsibilities. Upon the signing of a Grant Agreement, the PATH/ProVIC Project will begin to exercise its management responsibilities, as follows:

- Support of the Grantee with periodic disbursements of funds against the performance benchmarks agreed to in the Grant Agreement.
- Monitoring of the Grantee’s performance with respect to implementation through a series of reports as provided for in the Grant Agreement.
- Reporting to USAID through periodic progress reports on the overall status of the PATH/ProVIC Grants Program with respect to funds disbursed, Grantee performance, PATH/ProVIC intermediate results, and other measures.
- Installation and maintenance of the monitoring and evaluation system to track overall Grants Program activity and performance.

Monitoring and Evaluation. The applicable regional Grants Manager, the PATH/ProVIC Monitoring and Evaluation Specialist, the Finance and Administration Specialist, and the appropriate PATH/ProVIC technical specialist(s) will monitor and evaluate all grant activities for compliance with the terms and conditions of the Grant Agreement signed between PATH/ProVIC and the Grantee, including, but not limited to, the achievement of the benchmarks and objectives specified therein.

The Grantee is required to submit to the applicable regional Grants Manager periodic narrative and financial reports, as detailed in Sections 7.3 and 7.4 below, and the Grant Agreement. These reports help maintain the transparency, accountability, and responsibility that must be maintained for a mutually beneficial arrangement between the PATH/ProVIC Project and the Grantee for the duration of the grant. These reports are the chief management tools used by the PATH/ProVIC Project to allow it to monitor the Grantee's program performance. The PATH/ProVIC Project reserves the right to contract outside evaluators and auditors to perform audits and assessments of the Grantee's program implementation with respect to expenditures, achieved results, and other measures of performance.

In addition to the financial reporting requirements, the Grantee's programmatic performance reports will include the following information, at the minimum:

6. Summary of activities and achievements since the previous report.
7. Update on resolution of issues raised in previous reports.
8. New problems encountered and proposed solutions.
9. Anticipated activities/plan for the next reporting period.
10. Progress toward results.

The information provided in the Grantees' financial and programmatic reports will be consolidated and summarized, thus enabling PATH/ProVIC to provide necessary information to USAID in its mid-year and annual performance reports.

The applicable PATH/ProVIC advisor(s) and the applicable regional Grants Manager are responsible for verifying that reports are received on time, reviewing them for completeness, and monitoring progress against set benchmarks. If there are problems in grant implementation, a report is incomplete, or the grant's verifiable program milestones have not been met, PATH/ProVIC will decide the appropriate action to be taken, including, but not limited to, cancellation of the grant, a financial audit, and/or legal action.

Section 7.0

GRANTEE FINANCIAL MANAGEMENT

7.1 Elements of Administrative Management System

For the PATH/ProVIC grant activity to be successful, the Grantee must fully understand and respect:

- The essential relationship between the grant objective and the PATH/ProVIC Project.
- The terms and conditions that control the grant.
- The limitation of available funding and the need to use grant funds responsibly.
- The importance of creating and following a cohesive and balanced implementation plan.
- The requirement to obtain PATH/ProVIC Project approval for revisions to the implementation plan and grant budget, in accordance with the Mandatory Standard Provision entitled “Revision of Award Budget” (October 1998).
- How the grant activity will be evaluated in terms of effectiveness (i.e., implementation, outputs, and achievement of objective), and the positive and negative implications resulting from this evaluation.
- How the grant activity will be evaluated in terms of financial responsibility (transparency and accountability), and the positive and negative implications arising from this evaluation.

7.2 Accounting Systems and Control

Each Grantee shall establish appropriate accounting and financial control systems for the grant, including, but not limited to:

- A separate, non-interest-bearing bank checking account for the purpose of depositing and expending the PATH/ProVIC funds disbursed. (Experience with USAID-funded grants programs in a variety of countries dictates that the use of interest-bearing savings accounts does not provide for adequate financial controls on the account.) No other funding shall be deposited into this account, and no expenditures shall be paid for from this account which are not for eligible costs under the Agreement. No funds disbursed under the Agreement may be transferred to other bank accounts owned by the Grantee that contain funds from any source other than the PATH/ProVIC Grants Program. The names and titles of those employees having signing authority over this separate checking account shall be provided to PATH/ProVIC by the Grantee upon the opening of the account.
- Establishment of a segregated financial accounting system which will effectively and properly record and report the deposit and expenditure of all funds disbursed, in accordance with the Mandatory Standard Provision entitled “Accounting, Audit and Records” (October 1998) and as per USAID’s established guidelines. For purposes of control and review, this may be a simple double-entry ledger and journal system that meets generally accepted accounting practices, standards, and the financial control requirements.

7.3 Advance Disbursement and Liquidation Procedures: Under Standard Project Grant

For grants utilizing the Standard Project Grant format, PATH/ProVIC will advance funds as agreed to in the Grant Agreement. (Advances are not authorized under Simplified or Fixed Obligation Grants.) These funds will be disbursed according to the following procedures:

1. *Grant Advance Request Form Preparation* (see Annex D for the three-part form)—Following the signing of a Grant Agreement, the applicable regional Grants Manager shall prepare, for each Agreement, a set of PATH/ProVIC Grant Advance Request Forms, one form for each quarter of the life of the Agreement. In addition to filling in all of the basic information related to the Grantee, including the aforementioned unique grant number, on each of the forms, the Grants Manager will attach to each form the benchmarks from the Agreement that correspond to the quarter for which the form has been generated. The Grants Manager will provide the entire set of forms to the applicable Technical Advisor for content verification. Once the Technical Advisor has verified their correctness, the Grants Manager will retain one copy of each form in the appropriate file and forward the originals to the Grantee for use in requesting advances.
2. *Quarterly Submission of Advance Requests*—The Grantee will submit a completed Advance Request 30 days before the beginning of the quarter for which the advance of funds is required, or 30 days before at least 70 percent of the Grantee's current advance has been expended, whichever occurs first. The Advance Request will be submitted with the required budget attached. The required budget is the expression in financial terms of the activities the Grantee proposes to undertake in the following quarter and serves to estimate the Grantee's overall funding needs for the coming quarter, and indicates how the funds requested will be used, by grant budget line item.

In order to ensure that these purposes are served and that no double billing or redundant financing occurs, the Grantee must present the budget attached to the Grant Advance Request Form.

3. *Verifying Grant Advance Request Completeness*—Upon receipt of a Grant Advance Request as described above, the responsible regional Grants Manager will verify that the request is complete in terms of benchmark indicators, attached budget information, and signatures. The Grants Manager will then forward the complete Grant Advance Request to the appropriate Technical Advisor for authorization of the advance. During program implementation, the Technical Advisor and the Grants Manager will monitor financial information and progress reports closely to ensure that funds are being used as agreed and that PATH/ProVIC Grants Program objectives are being met. Problems or impediments will be discussed with the Grantee in order to resolve them. The PATH/ProVIC Project will deduct unresolved questionable costs from the Advance Request.
4. *Advance Authorization*—The applicable Technical Advisor will use the information on the Grant Advance Request to determine whether the beneficiary is entitled to receive the advance requested in the full amount. Authorization will normally be granted if the Grant Advance Request Form is complete and the Grantee has achieved an average of 80 percent of the targeted benchmarks for the quarter. However, the Technical Advisor may decide in exceptional cases, and if extenuating circumstances merit, to (1) decline an advance where

the 80 percent threshold has been achieved; or (2) authorize an advance where the 80 percent threshold has not been achieved, or authorize a partial advance. In these exceptional cases, the Technical Advisor will document his/her decision by memo.

5. *Non-authorization of an Advance*—In the event that PATH/ProVIC does not authorize an advance, whether for incompleteness of the request, failure to meet benchmarks, or for other reasons, a letter to the Grantee will be written by the Grants Manager. The letter will explain the reasons that the advance was not authorized.
6. In the event that a substantial benchmark does not meet the satisfaction of the applicable PATH/ProVIC Technical Advisor, then further expenses will not be advanced unless or until the benchmark has been revised to the approval of the Technical Advisor. Once the correction has been accepted by the Technical Advisor, advances and expenses will be reimbursed retroactively and future expenses will be granted. In the event that a quarterly advance is to be overspent, the Grantee must notify the Grantee's assigned regional Grants Manager in writing before the overrun occurs. The Grants Manager can approve up to 10 percent of such overruns if deemed allowable. If more than 10 percent, the overrun needs approval from the appropriate Technical Advisor. If line items are egregiously exceeded without justification or prior Grants Manager approval, these amounts will be disallowed.

Grant Advance Requests shall be sent to the applicable regional Grants Manager on a quarterly basis, along with the following documentation:

1. *Cover Letter*—This letter shall indicate the funds required for the following period, and shall be signed by the Grantee's Legal Representative or Administrative Director. The amount requested must be in accordance with the approved budget.
2. *Detail of Quarterly Expenses*—An electronic format in Excel (or hard copy) will be provided to the Grantee to report details of quarterly expenses.
3. *Supporting Documentation*—The Grantee shall maintain in its office accounting files containing supporting documentation, including copies of expense vouchers with copies of checks and supporting documentation for all expenses, as well as debit and credit notes with appropriate support.
4. *Bank Reconciliation* (from each previous month of the reporting period)—This shall include a copy of the bank statement, the check detail report generated by the accounting system for the period being reported, and the reconciliation report.
5. *Updated Quarterly List of Assets*—The Grantee shall report any equipment procured with PATH/ProVIC grant funds during the reporting period. This list shall include the following information:
 - A description of the equipment.
 - Manufacturer's serial number, model number, stock number, or other identification number.
 - Source of the equipment, including the award number.
 - Confirmation that title vests in the Grantee.
 - Acquisition date (or date received, if the equipment was furnished by PATH/ProVIC) and cost.

- Location and condition of the equipment and the date the information was reported.
 - Unit acquisition cost.
6. *Updated Payroll List*—This report will include the full name of each full-time Grantee employee who is partially or fully grant funded. Please also include each employee's position, start date, contract termination date, and salary. For payroll-related costs, the Grantee shall maintain timesheets for each employee.

Once the advance is authorized, the request with all supporting documentation will be passed to the PATH/ProVIC accountant. Upon verification of the signatures of the Grantee's Authorized Agent and the applicable regional Grants Manager, the PATH/ProVIC Technical Advisor overseeing the grant-funded activity will request the PATH/ProVIC accountant to fill in the final section of the request and prepare the advance check or wire transfer form. The accountant will then present the check or wire transfer form and all supporting documentation to the authorized PATH signatory for signature.

Following signature, the applicable regional Grants Manager will ensure that the check or wire transfer is received by the Grantee, verifying the signature of the Grantee's designated agent.

Grantees will normally receive the requested funds two weeks after the above documentation from the previous quarter has been approved by the applicable regional Grants Manager. The Grantee may also request funds earlier, if 70 percent of the previous advance has been liquidated.

Neither PATH/ProVIC nor USAID will be liable for:

- Any Grantee funding shortfalls that may result from the Grantee's failure to comply with the policies set forth herein.
- Any action or inaction by USAID and/or PATH/ProVIC that may prevent a timely provision of funding of a grant request.

7.4 Reimbursement Payment: Under Simplified and Fixed Obligation Grants

Payments to recipients of Simplified and Fixed Obligation Grants are only in the form of reimbursements. PATH/ProVIC will issue a reimbursement when the Grantee has achieved each specified payment milestone and submitted to the PATH/ProVIC office a completed Grant Milestone Payment Request Form (Annex E), along with the documentation listed below:

1. *Invoice/Budget Statement*—An invoice/budget summary statement the Grantee provides PATH/ProVIC (in the format PATH/ProVIC provides the Grantee at the time the Grant Agreement is signed) to report quarterly and cumulative expenses against the approved budget. The figures in this summary report must match the Detail of Quarterly Expenses and the financial reports.
2. *Detail of Quarterly Expenses*—The Grantee is required to provide PATH/ProVIC the Detail of Quarterly Expenses (in the format PATH/ProVIC provides the Grantee at the time the Grant Agreement is signed), which reports details of the Grantee's expenses, including:
 - The expense voucher and debit/credit note number.
 - Date.

- Description.
- Net amount.
- Withholdings.
- Gross amount.

The figures in this report should be consistent with those reported in the Invoice/Budget Statement and the financial reports.

3. *Financial Reports*—These will include the trial balance, balance sheet, and profit and loss statement generated by the accounting system for the period being reported. These figures in the financial reports should track with those reported in the Invoice/Budget Statement and the Detail of Quarterly Expenses.
4. *Supporting Documentation*—The Grantee shall maintain in its accounting files at its office supporting documentation, including the expense voucher with a copy of the check and supporting documentation for each expense.
5. *Bank Reconciliation* (from each previous month of the reporting period)—This shall include a copy of the bank statement, the check detail report generated by the accounting system for the period being reported, and the reconciliation report.
6. *Updated Quarterly List of Assets*—The Grantee shall report any equipment procured with PATH/ProVIC grant funds during the reporting period. This list shall include the following information:
 - A description of the equipment.
 - Manufacturer's serial number, model number, stock number, or other identification number.
 - Source of the equipment, including the award number.
 - Confirmation that title vests with the Grantee.
 - Acquisition date (or date received, if the equipment was furnished by PATH/ProVIC) and cost.
 - Location and condition of the equipment and the date the information was reported.
 - Unit acquisition cost.
7. *Updated Payroll List*—This report will include the full name of each full-time Grantee employee who is partially or fully grant funded. Please also include each employee's position, start date, contract termination date, and salary. For payroll-related costs, the Grantee shall maintain timesheets for each employee.

Once the reimbursement is authorized, the Grant Milestone Payment Request Form with all supporting documentation will be passed to the PATH/ProVIC accountant. Upon verification of the signatures of the Grantee's Authorized Agent and the applicable regional Grants Manager, the PATH/ProVIC Technical Advisor overseeing the grant-funded activity will request the PATH/ProVIC accountant to fill in the final section of the Grant Milestone Payment Request Form and prepare a check or wire transfer form for the reimbursement. The accountant will then present the check or wire transfer form and all supporting documentation to the authorized PATH signatory for signature. Following signature by the designated PATH signatory, the

applicable regional Grants Manager will ensure that the check or wire transfer is received by the Grantee, verifying the signature of the Grantee's designated agent.

Each Grantee will normally receive its invoiced reimbursement two weeks after the above documentation has been approved by PATH/ProVIC.

Neither PATH nor USAID will be liable if the Grantee incurs expenses beyond its approved budget.

7.5 Audits and Records Management

The Grantee shall assume full responsibility for effective and proper administration of funds. PATH/ProVIC reserves the right to audit the Grantee as described herein, and in the Grant Agreement.

Pursuant to the Mandatory Standard Provision entitled "Accounting, Audit and Records" (October 1998), if the Grantee receives more than US\$300,000 in grants in one year, the Grantee shall conduct an annual audit, the cost of which may be paid from the grant. To comply with these guidelines, PATH will, when necessary, include "audit costs" in the approved grant budget. PATH may also retain the services of an outside auditing firm to conduct these audits.

The Grantee shall maintain books, records, documents, and other evidence relating to the USAID grant in accordance with generally accepted accounting principles formally prescribed by the United States and the DRC to sufficiently substantiate charges to the grant.

The Grantee's accounting records shall be made available to PATH and/or USAID or their designees for review. The Grantee's records that pertain to the grant award shall be retained for a period of three years from the date of submission of the final financial report and may be audited by USAID. However, if any claim, litigation, or audit is started before the end of the three-year period, the records must be kept until all claims, litigations, or audit findings involving the records have been resolved. Records for nonexpendable property purchased under US government funds will be kept for three years after this property is disposed.

7.6 Purchase of Nonexpendable Equipment and Furniture and Professional Services

- A. Nonexpendable equipment and furniture and supplies previously identified and budgeted in the grant do not require PATH/ProVIC approval prior to purchase.
- B. Professional services, subgrants, and subcontracts previously identified and budgeted in the grant do not require PATH/ProVIC prior approval.
- C. The purchase of nonexpendable equipment and furniture and supplies, professional services, subgrants, and subcontracts not identified and budgeted in the grant budget require PATH/ProVIC prior written approval.
- D. The Grantee shall purchase insurance for all nonexpendable equipment and furniture and materials purchased with grant funds. The cost of such insurance is an allowable cost under

the grant. In the event that the Grantee is unable to obtain insurance for nonexpendable equipment and furniture and materials, the Grantee shall notify the applicable regional Grants Manager of this fact in writing.

- E. Stolen equipment and furniture must be reported to the police immediately. A theft report must be attached to the list of assets that is periodically submitted to PATH/ProVIC. If stolen equipment and furniture was uninsured (see item D above), the cost of replacing the stolen equipment and furniture is not an allowable cost under the grant.
- F. For a grant that has a procurement element (purchase of nonexpendable goods and any professional services), the authorized source geographic code for the procurement of all nonexpendable equipment and furniture, supplies, and services is 935.

Geographic code 935—Any area or country including the cooperating country, i.e., Democratic Republic of Congo, but excluding the US foreign policy-restricted countries of Cuba, Iraq, Iran, Laos, Libya, North Korea, and Syria.

- G. Regardless of the total value of the procurement element under the grant, certain goods and services are ineligible for purchase with grant funds. Goods and services that may not be purchased with grant funds are listed in Section 3.4, Ineligible Activities and Unallowable Costs.

7.7 Title to and Use of Property

For the purpose of this Grants Program, equipment and furniture is defined as any tangible personal property having a useful life of more than one year and an acquisition cost of US\$5,000 or more per unit.

If less than US\$5,000 in equipment and furniture is procured with funds under the grant, the title to all property financed under this award shall vest in the Grantee. Further, the Grantee agrees to use and maintain the property for the purpose of the award and in accordance with the procedures established in the Required as Applicable Standard Provision entitled “Title to and Use of Property (Recipient Title, US\$5,000 and Under)” (October 1998).

The Grantee agrees to report such equipment and furniture with a cost of US\$5,000 or more per item to PATH/ProVIC through the Updated Quarterly List of Assets as each is acquired and to maintain a control system which will permit the ready identification and location of the items. Also, within 30 calendar days after the end of the grant period, the Grantee will provide a list to PATH/ProVIC which includes each item that has a current fair market value of US\$5,000 or more, with a detailed proposal of what the Grantee intends to do with that property.

PATH/ProVIC will request that the USAID Contracting Officer approve the disposition of all property acquired as an item of direct cost under the grant. PATH/ProVIC will provide the Grantee amortization/depreciation guidelines. If the Grantee uses the property for purposes other than those of the award or sells or leases the property, PATH/ProVIC shall be reimbursed of its share of the property unless PATH/ProVIC authorizes its share of the income from selling or leasing the property to be used as program income.

7.8 Grant Closeout

The Grantee must submit to PATH/ProVIC a Grant Completion Report no later than 30 days after the end of the grant period. The report will include the following sections:

- A. A Technical Narrative Report, including, but not limited to:
 - Summary of Grant Objectives and Achievements.
 - Summary of the Grant Activities Implementation Process.
 - Lessons Learned and Recommendations.
- B. Financial Report, including, but not limited to:
 - Final Grant Funds Reconciliation.
 - Inventory and Disposition Report.
 - Bank Reconciliation.
 - External Audit Report, if required.

The Grant Completion Report should refer to the grant objectives and indicators of achievement described in Section 2.0, Activities Implementation Plan, of the Grant Agreement Project Description (see the Grant Applicant and Recipient Handbook, Annex D, Attachment 2), as well as to other indicators that Grantees find appropriate for demonstrating project achievements. The applicable regional Grants Manager will complete the Grant Activity Completion Form (Annex F).

The applicable regional Grants Manager, with the assistance of the appropriate PATH/ProVIC Technical Advisor(s), will review and accept the Grant Completion Report to close the hard-copy and database grant files. Before closing the grant files, the applicable regional Grants Manager will ensure that all details related to the grant activity have been resolved.

Annex A

Grant Process Tracking Form

Request for Application received from _____

Date of Request: _____

Database updated? Yes ☐ No ☐

Date application received by applicable regional Grants Manager: _____

Date circulated to Grants Evaluation Committee members: _____

Grants Evaluation Committee recommended award? Yes ☐ No ☐ Date: _____

Grant amount recommended: US\$ _____

Score sheet attached? Yes ☐ No ☐

USAID COTR approved? Yes ☐ No ☐ Date: _____

Grant number issued: PATH/ProVIC- _____

Database updated? Yes ☐ No ☐

Date applicant notified of approval/non-approval: _____

Copy of letter attached? Yes ☐ No ☐

Date signed Agreement received: _____

Database updated? Yes ☐ No ☐

Date received Grantee Grant Completion Report: _____

Date report accepted and file closed: _____

Database updated? Yes ☐ No ☐

Annex B

Grant Screening Checklist

Applicant Name: _____

Application Number: _____

I. Eligibility of Applicant

Yes No

1. The applicant is officially registered under Democratic Republic of Congo law. ☐ ☐
2. The applicant is a nonprofit, nongovernmental organization. ☐ ☐
- If yes, specify:
- ☐ HIV counseling and testing center.
 - ☐ HIV counseling and testing mobile unit.
 - ☐ Champion community implementing partner.
 - ☐ Organization providing support to people living with HIV/AIDS.
 - ☐ Organization providing support to orphans and vulnerable children.
 - ☐ Other (specify type): _____.
3. The applicant is a for-profit entity. ☐ ☐
- If yes, specify type: _____.

II. Eligibility of Proposal

1. Proposal fits the objectives of the PATH/ProVIC Grants Program. (specify)
- ☐ Improving HIV/AIDS prevention, care, and treatment services in the selected areas.
 - ☐ Increasing community involvement in health issues and services beyond facility-level services through sustainable community-based approaches.
 - ☐ Increasing the capacity of government and local civil society partners—thereby empowering new local organizations—to plan, manage, and deliver higher-quality HIV/AIDS services.
 - ☐ Assisting the DRC government to develop, disseminate, and implement evidence-based policies such as counseling and testing, adult care and treatment, and orphans and vulnerable children policies that result in higher-quality services.
 - ☐ Other (specify): _____.
2. Request contains an adequate percentage of contributing funds. ☐ ☐
- If yes, specify the source(s) of funding: _____.

Grant Screening Checklist
Page 2

Yes No

3. All project activities are eligible for funding. ☐ ☐
If not, specify which activity is not eligible: _____
_____.

4. Project location:

☐ Bukavu ☐ Kinshasa ☐ Lubumbashi

☐ Matadi ☐ Other _____

Comments: _____
_____.

Signed: _____ Date: _____
Kinshasa-based Grants Manager

Annex C.1

PATH/ProVIC Grant Appraisal Memorandum

Proposed Grantee: _____

Application Identification Number: _____

Grant Amount: US\$_____

Duration (months): _____

Target Location(s) of Grant Activity:

☐ Bukavu ☐ Kinshasa ☐ Lubumbashi

☐ Matadi ☐ Other _____

Names of PATH/ProVIC Grants Evaluation Committee Members:

- 1.
- 2.
- 3.

PATH/ProVIC recommends that this application be funded:

PATH/ProVIC Chief of Party: _____ Date: _____

USAID approval:

A. Project Summary

(Include information on grant competition and how proposed project corresponds to the objectives of the PATH/ProVIC Grants Program.)

B. Grant Award Process

Screening and Evaluation. (Include information on compliance of the applicant and proposed project with the criteria of eligibility. Describe main strengths and weaknesses of proposal, found by PATH/ProVIC reviewers, as well as recommendations on conditional or partial funding.)

Technical Review. (Include information on inconsistencies between the proposed activities/expenses and PATH/ProVIC funding conditions. Describe proposed programmatic and budgetary modifications, Grantee's response to them, and other issues related to the negotiation process.)

C. Project Budget (list the costs of all project elements; examples are listed below):

- | | |
|--------------------------------|------|
| 1. Salaries: | US\$ |
| 2. Benefits: | US\$ |
| 3. Equipment and Furniture: | US\$ |
| 4. Supplies: | US\$ |
| 5. Local Travel and Transport: | US\$ |
| 6. Other Direct Costs: | US\$ |

Total project expenses: US\$

Amount covered by PATH/ProVIC grant: US\$

Amount covered by Grantee contribution: US\$

Annex C.2

USAID Notification Letter for Award

(PATH/ProVIC Project Letterhead)

(Date)

Dr. Laurent Kapesa
HIV Program Management Specialist
United States Agency for International Development/Democratic Republic of Congo
Input street address
Kinshasa
Democratic Republic of Congo

Dear Dr. Kapesa:

This is to advise that the PATH/ProVIC Grants Evaluation Committee met on *(input month, date, year)* when the following grant applications were approved:

<u>Grantee</u>	<u>Grant Title</u>	<u>Amount of Funding</u>
----------------	--------------------	--------------------------

Attached is a PATH/ProVIC Grant Appraisal Memorandum together with each application that was approved by the Grants Evaluation Committee.

Please record your decision by signing each Grant Appraisal Memorandum and return them to the PATH/ProVIC Project office.

Thank you.

Sincerely,

Daniel Grimshaw
Finance and Administration Specialist

Annex D **Part I** **Grant Advance Request Form**

(A copy of the Excel file containing the PATH/ProVIC Grant Advance Request Form will be printed and provided to the grant recipient.)

1. Grantee Organization Address:		3. Grantee Organization Bank Account Information		7. Grant Amount (US\$):	
Name:		Bank/Branch Name:			
Street Address:		Account Number:		8. Obligated Amount:	
City:		Payment Method:		9. Contribution:	
Region:		Street Address:			
		City, Region:		10. Grant Period (Day/Month/Year)	
				From to	
2. PATH personnel/team to which report is submitted:		4. PATH/ProVIC Grant Number		5. Final Report	
PATH/ProVIC, Attn: Grants Manager				Yes No	
				Cash Accrual	
				6. Base of Accounting	
				From to	
				11. Period Covered by this Report	
				From to	
12. Transactions:		Previous Cumulative (I)		This Period (II)	
				Cumulative (III)	
				Approved Budget (IV)	
				Remaining Balance (V)	
Cash Receipts	a. Beginning Cash Balance				
	b. Cash Receipts				
	c. Program Income				
	d. Total Cash Available (a+b+c)				
	e. Expenses - by Line Item				
	1. Salaries				
	2. Benefits				
	3. Equipment and Furniture				
	4. Supplies				
	5. Local Travel and Transport				
6. Other Direct Costs					
	f. Total Expenses (sum 1-6)				
Request for Advance/Payment	g. Ending Cash Balance (d-f)-Excess/Deficit				
	h. Cash Requirement for Next Period				
	i. Total Cash Required (h minus g)				
Grantee/Subgrantee Contribution	j. Grantee's Contribution - Line Item				
	1. Salary				
	2. Benefits				
	3. Equipment and Furniture				
	4. Supplies				
	5. Local Travel and Transport				
	6. Other Direct Costs				
	k. Total Contribution				
13. Certification		14. Summary of Advances/Reimbursements			
		Round Date Amount			
Prepared for Grantee by:		Authorized for ProVIC by:		1st round	
Name:		Name:		2nd round	
				3rd round	
Title:		Title:		4th round	
				5th round	
Signature:		Signature:		6th round	
				7th round	
Date:		Date:		Total	

(Note: The Grants Manager assigned to this Grantee will attach a list of benchmarks to be achieved by the Grantee in the grant period to be funded.)

Annex D
Part II
Advance Request and Reconciliation Worksheet

1. Beneficiary's Name: _____
2. Activity Name: _____
3. GRANT Tracking No: _____
4. Advance Period: _____ to _____
5. Total Activity Budget: _____

Items I-III are to be completed by the Beneficiary. This form must be accompanied by an authorized Financial Report in order to be processed.

I. Benchmarks Required for this Advance

	Target	Achieved	% Achieved
Benchmark 1* _____			
Results: _____			
Benchmark 2* _____			
Results: _____			
Benchmark 3* _____			
Results: _____			

*Benchmarks to be determined with the beneficiary and included in the contract terms

II. Advance Projections (Detailed Budget Attached)

Grantees should insert a detailed budget here which clearly indicates the line items of the approved budget and where the advanced funds are intended to be spent, based on the line items in the budget.

III. Reconciliation Worksheet

Section 1 (Skip to Section 2 if first advance)

- | | | |
|----|--|-------|
| 5. | Balance per prior report (Section 1 line 4) | _____ |
| 6. | Last Advance (Section 2 line 4 from prior report) | _____ |
| 7. | Current Expenditures per Advance Reconciliation ₁ | _____ |
| 8. | Current Balance Available (1+2-3) ₂ | _____ |

Section 2

- | | | |
|----|---|-------|
| 5. | Advance requested per attached budget | _____ |
| 6. | Balance per Section 1 line 4 | _____ |
| 7. | Total Calculated Advance (1-2) | _____ |
| 8. | Total Advance (round line 3 to nearest \$100) | _____ |

Section 3

- | | | |
|----|---|-------|
| 5. | Total Grant Value | _____ |
| 6. | Total Advances (not including section 2 line 4) | _____ |
| 7. | Total expenditures to date ₃ | _____ |
| 8. | Current Grant Balance (1+2-3) | _____ |

₁Grantee shall attach Advance Reconciliation Form and copies of all bona fide receipts and time sheets.

₂Grantee shall submit copies of USD and local currency bank statements for verification and reasonableness check.

₃Cumulative total of Section 1 line 3 from all previous reports

BENEFICIARY CERTIFICATION: I certify that to the best of my knowledge and belief, the data reported above and the attached monthly financial statements are correct and that this request and our subcontract are in full compliance with the terms and conditions of the agreement between ourselves and Chemonics.

Signature: _____ please scan in signature of appropriate signatory.

Items IV-V are for ProVIC Project use.

IV. ProVIC PROJECT APPROVAL

ProVIC Grant Manager: _____

Date: _____

ProVIC : _____

Date: _____

ProVIC ACCOUNTING INFORMATION

Amount of Advance: _____

Date of Issue: _____

Check No: _____

ProVIC Accountant: _____ Date: _____

**Annex D
Part III**

Beneficiary: _____

Memo: _____

Expenses Distribution

Receipt*	Vendor	Me
1		
2		
3		
4		
5		
6		

7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		

--	--

*Number attached receipts in sequential order to match this form. Please add additional lines if necessary.

Annex E

Grant Milestone Payment Request Form

Grant Number: _____ Date: _____

Grantee Name: _____

Grant Activity Title: _____

Milestone Payment Elements

Milestone payment number	Milestone description	Financial plan-approved milestone payment amount (US\$)

Submitted for Payment—The above-presented Payment Milestone has been achieved in accordance with all the terms and conditions stated in the ProVIC Grant Agreement and all incorporated documents, including the approved grant application with implementation and financial plans.

Grantee's Agent: _____ Date: _____

Certified—I have reviewed the above Milestone Payment elements and have found them to be accurate and complete with respect to my grant file records. My last Grantee monitoring was on (*date*). Based on the information collected at that time, it is fair and reasonable to assume that the Milestone, as specified in the Grant Agreement, has been achieved.

ProVIC Responsible Advisor: _____

Date: _____

Total Grant US\$: _____

Cumulative Payments US\$: _____ (including this Milestone Payment)

Balance US\$: _____

Annex F

Grant Activity Completion Form

1. Grantee's Name:
2. Grantee's Address:
3. Grantee's Telephone:
Grantee's Fax:
Grantee's Email:
4. Grantee's Authorized Agent Name:
Grantee's Authorized Agent Title:
5. Grant Program Title:
6. Grant Tracking Number:
7. Final Budget Reconciliation
 - a. Total Grant Amount:
 - b. Total Grant Funds Expended:
8. ProVIC Technical Specialist's report attached (see note below)? Yes No
9. Grantee's Grant Completion Report attached? Yes No
10. Approved Amount of Grant:
Amount Disbursed:
(copy of Expense Report)

Signature: _____ Date: _____
ProVIC Technical Specialist

Signature: _____ Date: _____
Applicable Regional Grants Manager

Note: The ProVIC Technical Specialist's report must include the following information:

- A. Program achievements and relevance to ProVIC purpose.
- B. Assessment of implementation process and lessons learned.
- C. Follow-on activities under consideration.

This Handbook

Purpose of the Handbook—The purpose of this Handbook is to inform prospective grant beneficiaries about pertinent details concerning the Grants Program of the Integrated HIV/AIDS Program in the Democratic Republic of Congo (ProVIC) Project. The project is funded by the United States Agency for International Development (USAID) and implemented by Program for Appropriate Technology in Health (PATH) and its AIDSTAR Consortium partners, Chemonics International Inc., Catholic Relief Services, the Elizabeth Glaser Pediatric AIDS Foundation, and the International HIV/AIDS Alliance. The project's estimated period of performance is October 1, 2009, through September 30, 2014.

This Handbook includes important aspects in-kind contribution of goods and direct funding of service providers and is divided into two sub-sections.

1. Section 2.1 refers to the system of direct support to public hospitals
2. Section 2.2 refers to system of direct support to private hospitals.

In both cases, procurement is governed by the PATH procurement manual.

Intended Audience of the Handbook—This Handbook is intended for use by any prospective recipient of in-kind contributions of goods and direct funding of service providers awarded by the ProVIC Project.

Special, Required Guidelines—This Handbook provides guidelines for the direct support of public and private hospitals. These guidelines will serve as an attachment to the Agreement between the ProVIC Project and the Recipient. Each Awardee must comply with the provisions included in this Handbook. During the course of the direct support, ProVIC will verify an individual Grantee's compliance through written questionnaires, site visits, independent audits, or by other means. Beneficiaries that do not comply with provisions may have their direct support terminated.

Questions About the Guidelines—Because USAID is the source of funds of the ProVIC Grants Program, there are strict requirements that need to be followed. Every effort will be made to ensure that prospective recipient and beneficiaries fully understand all requirements included in this Handbook.

In addition, the staff of ProVIC is available during regular business hours, and at other times by appointment, to answer questions about administrative or programmatic issues. ProVIC is committed to working with each recipient to ensure the success of the Direct Support Program.

Where Applicants and Partners May Direct Questions—This Grant Applicant and Recipient Handbook is designed to inform prospective ProVIC grant applicants about all aspects of applying for, managing, and reporting on grants that may be awarded under ProVIC. All aspects of the Grants Program are described, including the eligibility criteria for organizations, the process and format for applying for a grant, the criteria for

evaluating grants for award, the responsibilities of grant beneficiaries, and the processes and other requirements for managing and reporting on grants. If you have any questions related to the ProVIC Grants Program or this Grant Applicant and Recipient Handbook, please contact via email, regular mail, telephone, or fax:

ProVIC Grants Manager, Bukavu

Grant-only email: benjaminmetre@gmail.org

ProVIC Grants Manager, Kinshasa

Grant-only email: To be announced

ProVIC Grants Manager, Lubumbashi

Grant-only email: tedleeka@gmail.com

ProVIC Grants Manager, Matadi

Grant-only email: To be announced

Section 1.0

THE GRANTS MANAGEMENT PROGRAM

1.1 ProVIC Grants Program

The objective of the United States Agency for International Development (USAID)-funded Integrated HIV/AIDS Program in the Democratic Republic of Congo (ProVIC) Project is to reduce the incidence and prevalence of HIV/AIDS and mitigate its impact on people living with HIV/AIDS and their families. This contributes to the United States (US) government's goal in the Democratic Republic of Congo (DRC) to improve basic health conditions for the Congolese people. The grants component of the Program for Appropriate Technology in Health (PATH)/ProVIC Project is a key element in the achievement of the project's objectives.

ProVIC Objectives

ProVIC will achieve the overall objective by:

- Improving HIV/AIDS prevention, care, and treatment services in the selected areas.
- Increasing community involvement in health issues and services beyond facility-level services through sustainable community-based approaches.
- Increasing the capacity of government and local civil society partners—thereby empowering new local organizations—to plan, manage, and deliver higher-quality HIV/AIDS services.
- Assisting the DRC government to develop, disseminate, and implement evidence-based policies such as counseling and testing, adult care and treatment, and orphans and vulnerable children policies that result in higher-quality services.

The ProVIC Grants Program is designed to fund activities that help achieve the above results through the following categories of grants: Standard Project, Simplified, and Fixed Obligation.

Among other support, ProVIC provides assistance through the grants to organizations that include:

- HIV counseling and testing (HCT) centers and mobile HCT units.
- Champion communities implementing partners.
- Organizations providing support to people living with HIV/AIDS.
- Organizations providing support to orphans and vulnerable children.

1.2 Roles and Definitions

The following definitions are provided to help users interpret ProVIC guidelines and regulations, and/or prepare appropriate applications. Various sections of this Handbook describe these terms in further detail.

Applicant—A non-US, nongovernmental organization (NGO) applying to ProVIC for a grant.

Application—A written document in form and substance conforming to the requirements of the Grants Under Contract Management Plan, which outlines in detail the procurement or activities being proposed by an applicant for funding under the ProVIC Grants Program.

Assistance Award—Financial assistance of which the primary purpose is to provide support or stimulation to accomplish a public purpose. Grants issued by ProVIC are assistance instruments.

Benchmarks/Milestones—Key programmatic and financial targets that must be met to qualify for initial or subsequent disbursements of ProVIC grant funds.

Chief of Party—The ProVIC Chief of Party is the primary representative of the ProVIC Project in the DRC. In this respect, the Chief of Party approves the ProVIC Grants Program strategy and terms of grant competition, and chairs the ProVIC Grants Evaluation Committee for grant awards made under the Grants Program.

Co-funding—Project costs financed with cash contributed or donated to the recipient by other non-US government agencies (may include public international organizations or foreign governments) and institutions, and private organizations and individuals.

Contract—A legally enforceable instrument used to purchase goods and services in exchange for monetary consideration. Contracts are not used for the provision of assistance and are not addressed in this Handbook.

Contracting Officer's Technical Representative (or COTR)—The COTR is the USAID/DRC official responsible for administration of the ProVIC Project. Depending on the value of the grant, the USAID Contracting Officer will delegate to the COTR the responsibility to make the final decision on the awarding of a grant. The COTR also receives any periodic reports provided by the applicable regional Grants Manager, in coordination with the Kinshasa-based Grants Manager and the Finance and Administration Specialist, detailing grants that have been awarded, amounts disbursed, and current overall Grants Program status. The COTR maintains a substantial involvement in the grant process, including the formal approval of the grant system and the awards to grant recipients.

Contribution—A contribution of cash or monetized in-kind services or equipment provided by the Grantee organization as a contribution to the overall cost of a grant.

Equipment—For the purposes of this Grants Program, equipment is defined as an article of tangible property that has a useful life of more than one year and an acquisition cost of US\$5,000 or more.

Finance and Administration Specialist—The Finance and Administration Specialist is responsible, together with the ProVIC Chief of Party and the ProVIC team, for achieving the objectives of the ProVIC Grants Program. The Finance and Administration Specialist oversees the four Grants Managers (the one based in Kinshasa and the three based in the three provincial offices), and is a voting member of the Grants Evaluation Committee.

Grantee/Recipient—An organization that has been awarded a grant by ProVIC after approval by the USAID COTR.

Grant Agreement (also referred to as Agreement or Grant)—A legal instrument that governs allocation of funds and defines roles and responsibilities of the Grantee under the ProVIC Grants Program. This type of assistance award is used by USAID to provide assistance for a project to achieve a particular goal for a specified period of time and when no substantial programmatic involvement of the funding agency is anticipated or required in the performance of the proposed activities.

Grants Evaluation Committee—The committee of people that meets intermittently to consider grant applications and approve funding, subject to approval by the USAID COTR. Voting Committee members include the ProVIC Chief of Party, the Finance and Administration Specialist, and the technical specialist relevant to the technical content of a particular grant application. The Kinshasa-based Grants Manager is a non-voting member of the Committee. Material modifications to existing grants must be approved by this Committee. The composition of the Committee may be modified by ProVIC as the emerging needs of the project warrant.

Grants Managers—The Kinshasa-based and three other regional Grants Managers review applications, draft grant documents for review by USAID, manage and monitor the grants process in collaboration with the Kinshasa- and regionally based Monitoring and Evaluation Specialists, and review and tabulate grant outputs. The Kinshasa-based Grants Manager, or his/her designee, will obtain the approval of USAID/DRC for all ProVIC grants. In their respective regions, each of the four will supervise grant funds administration and procedures under the ProVIC Grants Program. This includes the preparation of funding criteria, Grant Agreements, and other financial documents, and the monitoring of advances and disbursements to Partners.

Implementation Plan—The document submitted as part of a potential Grantee's grant application. The implementation plan specifies the applicant's objectives and milestones of the proposed program that will be implemented using ProVIC grant funding. It therefore forms the primary source of information for evaluating the application.

PATH Country Representative—The PATH Country Representative serves as PATH's in-country institutional representative and as an alternative representative of the project.

The ProVIC Chief of Party reports on a day-to-day basis to the PATH Country Representative, who is responsible for monitoring compliance to the approved grant awards, including Partners' performance. The Country Representative, in consultation with the Chief of Party, provides oversight and guidance to the project's technical components that PATH is leading, including the Grants Program.

PATH/ProVIC Project (also referred to as ProVIC)—The Integrated HIV/AIDS Program in the Democratic Republic of Congo Project is an activity funded by USAID and implemented by PATH and its Consortium partners.

ProVIC Team—The team of technical specialists working with national, regional, and local organizations. This team helps to identify potential projects and organizations for ProVIC grant funding, including, but not limited to, identifying and recommending technical studies needed for program and project development, developing technical content and appraisal criteria, and subsequently appraising the viability and cost-effectiveness of the grant applications received. The ProVIC team will review and evaluate grant outputs.

PATH (Program for Appropriate Technology in Health)—The organization that holds the prime contract with USAID for the ProVIC Project and the legal principal that will enter into a legally binding Grant Agreement with each grant recipient.

Program Income—Gross income earned by the Grantee that is directly generated by a supported activity or earned as a result of the award, with the exceptions of program income earned after the end of the project period and program income earned from license fees and royalties for copyrighted material, patents, patent applications, trademarks, and inventions produced under an award, unless the terms and conditions of the award provide otherwise. Program income includes, but is not limited to, income from fees for services performed, the use or rental of real or personal property acquired under US Federally funded projects, the sale of commodities or items fabricated under an award, license fees and royalties on patents and copyrights, and interest on loans made with award funds.

Suspension—An action by PATH/ProVIC that temporarily withdraws ProVIC and USAID sponsorships, in whole or in part, under an award, pending corrective action by the recipient or pending a decision to terminate the award.

Termination—The cancellation of PATH/ProVIC and USAID sponsorships, in whole or in part, under an agreement at any time prior to the date of completion.

United States Agency for International Development in the Democratic Republic of Congo (USAID or USAID/DRC)—USAID provides funds for the PATH implemented ProVIC Project, approves the form and substance of this Grants Management Plan, and approves grant awards to recipients under the ProVIC Grants Program.

Value Added Tax (or VAT)—Upon award of a grant or subaward, the ProVIC Project will advise the Grantee or subawardee of the prevailing USAID VAT reporting requirements, as agreed between the government of the DRC and the government of the United States.

Section 2.0

THE DIRECT PROCUREMENT PROGRAM

2.1 System of Direct Procurement for DRC Public Hospital Partners

I. General

This system is designed to assist public hospital partners within the ProVIC project, which due to their status as state institutions, require a different kind of partnership and mechanism than partnerships with private hospitals (which will be supported via Fixed Obligations Grants) and NGOS (which will be supported by Grants). While recognizing that the public hospital partners may otherwise have very good programs, ProVic will fund and finance them only with the additional internal controls of the direct procurement system.

Under this system, ProVic will procure supplies (gloves, cleaning supplies) and commodities (HIV test kits, needles, tubes) and medications (ARVs) directly and make those available to the public hospital. Purchases will be made on a quarterly basis and stored at the ProVIC depot and delivered to the public hospitals as needed, but within the scope of the applicable budget.

All procurement undertaken on the partners behalf by ProVIC will be in strict compliance with USAID's and PATH's procurement rules and regulations.

II. ProVIC Financial Management of the Direct Support System

The Direct Procurement System proposed by ProVIC is one whereby ProVIC is the purchaser and supplier of all commodities needed for the public hospital to implement ProVIC activities. As ProVIC does all procurement and distribution of commodities, this makes ProVIC directly responsible for proper management of the items.

The following steps are a chronology of the required process:

1. With the approval of ProVIC's CoP, each provincial office in Matadi, Lubumbashi and Bukavu will open a checking account at the local BCDC branch to facilitate interbank and inter-RDC transfers, as ProVIC Kinshasa maintains its operating account at BCDC Kinshasa
2. For internal control purposes, each provincial checking account will have a minimum of five (4) DRC-based signatories – ProVIC COP, ProVIC Financial Specialist, Provincial Coordinator and Provincial Grants Manager.
3. The checks and checkbooks will be in the custody of the Provincial Grants Manager

4. A minimum of two signatories will be required for each check or wire transfer payment from the provincial office checking account, including the PATH grants manager and the Chemonics Regional Coordinator.
5. Each month, the Grants Manager receives, reviews and approves Requests from the grantee public hospitals based on partners' planned program activities
6. The Grants Manager consolidated Purchases Requests from each partner in the region into the monthly funds requests which is sent to ProVIC Kinshasa after review and signature of the Regional Coordinator. The monthly regional Funds Request must include the costs of partners' planned program activities, materials and services.
7. ProVIC Kinshasa Financial Management Specialist reviews Funds Request for accuracy and correctness.
8. The Financial Management Specialist (hereafter, FMS) consolidates all the provincial offices' Fund Requests and then prepares the monthly Cash Forecasts for all ProVIC direct support partners.
9. The FMS presents the monthly Cash Forecasts to the CoP for approval and signature
10. After the CoP's approval, the FM sends the e-copy of Fund Request to PATH Washington
11. After questions, comments, review and approval, PATH Washington approves Cash Forecasts for payment
12. PATH Washington executes wire transfer ProVIC Kinshasa accounts
13. With approval of Financial Specialist, funds are transferred to provincial office's account for local expenses such as transport, communication and community mobilization.
14. The Provincial Office confirms receipt of wire transfer and availability of funds
15. For payment for commodities and materials for partners' program activities, the Grants Manager must write checks directly to the vendor supplier of the goods after having done appropriate cost comparisons and justified selections.
16. For the reimbursement of participants and attendees' transportation, the check may be made out to the ProVIC staff who will cash the check for disbursement to the participants.
17. Each participant must complete the attendance sheet that includes their name, telephone number, amount received, date and signature. This is a required supporting documentation.
18. At each program activity where meals and refreshments are served, each participant must sign an attendance sheet. This is a required supporting documentation.

III. ProVIC supplies and commodities management under Direct Support System

Procurement of General Services and Goods (not including HCT/PMTCT/ basic care commodities)

1. The grantee public hospital completes a Request form

2. The ProVIC Regional Grants Manager finalizes the selection of local vendor/service provider within their own regions.
3. The ProVic Regional Office Manager shares final vendor information with ProVIC Kinshasa
4. Vendor delivers goods directly to ProVIC regional offices where they are inventoried and stored.
5. ProVIC acknowledges receipt and issues receiving report
6. Vendor sends invoice to ProVIC
7. All documentation related to the procurement process must be kept in records by the Grantee
8. ProVic pays vendor/service provider directly by check or wire transfer

Procurement of HCT/PMTCT/basic care Commodities

1. The essential commodities, being generally pharmaceuticals, and on USAID's **restricted** goods list, will need prior approval. They must be centrally procured by ProVic
2. To obtain the disbursement of HCT/PMTCT/basic care commodities, the public hospital grantee must complete a request form, including an itemized listing of the commodities being requested.
3. The Provincial Grants Manager must sign, approve, and send the Purchase order to ProVic Kinshasa National logistician Specialist
4. ProVic Kinshasa will authorize the release of the requested commodities from Central Supplies
5. Grantee acknowledges receipt and sends copy of receiving report to ProVIC and keeps it in its records

Disbursements

No cash disbursements are made directly to the grantee public hospital. Rather, ProVIC purchases all necessary commodities and services on behalf of the grantee. Some payments may be made to specific staff of grantee hospitals for their transport or community mobilization as the grantee public hospital seeks to extend its services into the community. These will be properly justified and documented.

IV. Preliminaries / Identification of Potential Partners

Presently, ProVIC has identified some 15 public health structures it will work with. Over the life of the project and according to the needs of different champion communities, these public partners may change. The following process will be used in such a case:

1. Identify the public hospital partners which contribute to ProVIC objectives in ProVIC's areas of intervention.
2. Prepare and finalize program activities in line with ProVIC results framework
3. Formalize and document activities in a written Project Description and Accord de Collaboration

4. The purpose of the Accord de Collaboration is to formalize, in a written document, the engagement between ProVIC and the grantee public hospital. Once finalized, the Accord de Collaboration will be signed and approved by ProVIC's COP and the grantee public hospital's Point of Contact (PoC).
5. The Accord de Collaboration must include

V. Documentation of ProVIC-grantee relationship via *Accord de Collaboration*

The Accord de Collaboration is the narrative document that ties ProVIC and the grantee public hospital by describing mutual programmatic and financial expectations, timelines and specific terms of the agreement. It is not a binding contractual agreement.

The Agreement of Understanding must include as attachments:

1. Project Description / Scope of work - Attachment 1
2. Approved Project Budget – Attachment 2
3. Marking and Branding – Attachment 3
4. Purchase Request Form for commodities, materials and services – Attachment 4
5. Acknowledgement of Receipt of Goods, Commodities and Services - to be signed and returned by the grantee. – Attachment 5
6. Designated Points of Contact – Attachment 6
7. Certificate of Completion – Attachment 7 (if necessary)

VI. Program / Project Description

The project description must include the objectives, numeric results to be achieved, and linkage to the ProVIC objectives. Indicators and methodology for measuring results will be linked to the ProVIC M&E system.

Definition of successful achievement of grant objectives— ProVIC will work closely with the selected grantee public hospital in defining what constitutes successful achievement of the sought-after objective.

VII. Budgeting of Accord de Collaboration

In close collaboration with the public hospital grantee, establish a budget based on program activities.

a) Program Budget Form:

This form, when properly completed, reviewed, and approved, serves as the mutually agreed-upon guide for activity financial management. All ProVIC activity costs support must be identified. When reviewing cost data, the proposed budget should be reasonable, allowable and allocable. To be successful, a public hospital grantee activity must be adequately funded—not over-funded or under-funded. It must be emphasized that this

budget is illustrative as the budget contains estimates of the value of the inputs, which may vary over time.

b) Budget Administration and Management.

These are direct costs that will be incurred in providing general administrative and management support to the public hospital Grantee activities:

- Salaries—: Since the grantee is a government entity, the budget may not include such items as staff and personnel salaries and benefits and allowances
- Benefits—: Since the grantee is a government entity, the budget may not include staff benefits and allowances
- Equipment and Furniture—This covers nonexpendable supplies and goods (e.g., equipment and furnishings) that have a useful life of one year or more that are required for the activity. The purchase of such goods must meet the USAID source and origin requirements as set forth in the Mandatory Standard Provisions.
- Supplies—This covers expendable supplies (e.g., paper and stationery) that are necessary for the effective administration and management support of the activity.
- Local Travel and Transport—This line item covers staff and/or public hospital Grantee local travel costs,
- Other Direct Costs—This covers utilities, cleaning services

c) Ineligible Activities and Unallowable Costs

Under the ProVIC Grants Program, unallowable costs, direct or indirect, include, but are not limited to, the following examples:

- Any expenses related to entertainment, parties, celebrations, or “representation.”
- Any purchases or activities unnecessary to accomplish grant purposes as determined by the ProVIC Project.
- Any public hospital Grantee headquarters’ expenses that are not directly linked to implementation of the proposed project.
- Expenses of any training programs other than those integral to achievement of the targets specified in the proposed project.
- Taxes, including local withholding and employee taxes.

VIII. Reporting and Evaluation

a) Monthly Programmatic/Technical Reporting

As specified in the Program Description, the public hospital grantee must submit a monthly program narrative report to ProVIC, based on ProVIC indicators and reporting tools. This is a deliverable.

The programmatic section of the report should contain:

- Brief description of project activities undertaken during the reporting period for each intervention component;
- The degree to which the program activities are being accomplished and program objectives achieved (including reporting on progress on project indicators against targets in the achievement table);
- Major program implementation problems, such as failure to meet program objectives and targets, management and staffing problems, etc.; and proposed solutions to address these problems;
- Planned activities and updated workplan for the following month;

It is important that ProVIC Monitoring & Evaluation Specialist and grants manager be able to ascertain, and vouch for, the integrity of the data contained in each periodic program narrative report. This is because such ProVic must submit such data to USAID as part of its overall reporting.

b) Quarterly Financial Reporting

None. The public hospital grantee is **not** required to prepare a financial report. This is because ProVic directly procures and pays for goods, commodities and services. The Provincial Grants Manager will prepare an advance reconciliation report in lieu of a financial report by the public hospital grantee. This should be forwarded to ProVIC Kinshasa.

c) Completion Final Report

The public hospital Grantee shall submit the final report to regional Grants Manager within 30 days after the Grant Completion Date, or earlier when possible.

The final performance narrative report shall contain the following information:

- Summary of Objectives Achievements,
- Summary of Activities Implementation Process according to the Activities Implementation Plan;
- Lessons Learned and Recommendations;
- Public Dissemination Process;

IX. Communication Plan

Communication of Agreement of Understanding Accord de Collaboration to Grantee Public Hospital

After ProVIC's CoP reviews, approves and signs the Agreement of Understanding Accord de Collaboration, the following additional steps must be taken:

1. The Provincial Grants Manager must take the signed agreement to the offices of the grantee public hospital
2. The Provincial Grants Manager must read the agreement with the grantee PoC and other officers involved in managing the activities.
3. The reading and reviewing of the agreement must be systematic: line by line, page by page to ensure absolute and perfect understanding of the contents of the agreement. This is a requirement.
4. The Grants Manager must encourage questions from grantee's PoC and must answer them.
5. The Grants Manager must ensure that the grantee PoC understands then signs off on the agreement
6. The signed original must be sent to ProVIC Kinshasa with a copy remaining each with grantee and with ProVIC's provincial office

X. Standard Provision on Title to and Use of Grant Property

a) Inventory control

The public hospital Grantee must track inventory on a regular basis in compliance with the USAID standard provisions. At any point during the course of the project, the partner should be able to provide an inventory list on equipment and furniture purchased under the grant, if applicable.

Approval to sell any non-expendable property (for example due to damage) must be requested in advance from the PATH Agreement Officer.

ProVic has a duty to ensure that all program property is properly used and disposed of once the grant is complete. Once procured, the grantee is required to use and conserve the property for the purposes specified in the project award.

Within 45 days prior to the end of the period of performance, the grantee must provide ProVic with a list of all non-expendable property, its location and condition

D2. SYSTEM OF DIRECT PROCUREMENT FOR DRC PRIVATE HOSPITAL PARTNERS

I. General

This system is designed to finance private hospital partners within the ProVIC project during the stop-gap period before the implementation of the Fixed Obligation Grants (FOG) system which will at that time take precedence over the direct support system described here.

Under this system, ProVic will procure supplies (gloves, cleaning supplies) and commodities (HIV test kits, needles, tubes) and medications (ARVs) directly and make

those available to the private hospital. Purchases will be made and stored at the ProVIC depot and delivered to the hospitals as needed.

All procurement undertaken on the grantee's behalf by ProVIC will be in strict compliance with USAID's and PATH's procurement rules and regulations.

II. ProVIC Financial Management of the Direct Support System to private hospitals

The Direct Procurement System proposed by ProVIC is one whereby ProVIC is the purchaser and supplier of all commodities needed for the private hospital to implement ProVIC activities. As ProVIC does all procurement and distribution of commodities, this makes ProVIC directly responsible for proper management of the items.

III. ProVIC supplies and commodities management under Direct Support System

Procurement of General Services and Goods (not including HCT/PMTCT/basic care commodities)

1. The grantee private hospital and ProVIC communicate supplies needs
2. The ProVIC Regional Grants Manager finalizes the selection of local vendor/service provider within their own regions.
3. The ProVic Regional Office Manager shares final vendor information with ProVIC Kinshasa
4. Vendor delivers goods directly to ProVIC regional offices where they are inventoried and stored.
5. ProVIC acknowledges receipt and issues receiving report
6. Vendor sends invoice to ProVIC
7. ProVic pays vendor/service provider directly by check or wire transfer

Procurement of HCT/PMTCT/basic care Commodities

1. The essential commodities, being generally pharmaceuticals, and on USAID's **restricted** goods list, will need prior approval. They must be centrally procured by ProVic
2. ProVIC estimates needs of private hospitals in terms of commodities based on partition of national-level results.
3. The Provincial Grants Manager must sign, approve, and send the need to ProVic Kinshasa HCT Officer who is interim logistics manager until full-time logistics officer is hired.
4. ProVic Kinshasa will authorize the release of the requested commodities from Central Supplies
5. Grantee acknowledges receipt and sends copy of receiving report to ProVIC and keeps it in its records

IV. Preliminaries / Identification of Potential Partners

Presently, ProVIC has identified some 8 private health structures it will work with. Over the life of the project and according to the needs of different champion communities, these partners may change. The following process will be used in such a case:

1. Identify the hospital partners which contribute to ProVIC objectives in ProVIC's areas of intervention.
2. Prepare and finalize program activities in line with ProVIC results framework
3. Formalize and document activities in a written Fixed Obligation Grant (FOG)
4. The purpose of the FOG is to formalize, in a written document, the engagement between ProVIC and the grantee public hospital. Once finalized, the FOG will be signed and approved by ProVIC's COP and the grantee public hospital's Point of Contact (PoC)

Program / Project Description

The project description must include the objectives, numeric results to be achieved, and linkage to the ProVIC objectives. Indicators and methodology for measuring results will be linked to the ProVIC M&E system.

Definition of successful achievement of grant objectives— ProVIC will work closely with the selected grantee public hospital in defining what constitutes successful achievement of the sought-after objective.

a) Budget Administration and Management. These are direct costs that will be incurred in providing general administrative and management support to the private hospital Grantee activities:

- Salaries—: Since the grantee is a private entity, the budget may include such items as staff and personnel salaries and benefits and allowances. But in the interim before the FOG system is established, payments to staff can only be done via a Work Order with each individual staff member who is contributing to the project.
- Benefits—: Since the grantee is a government entity, the budget may not include staff benefits and allowances
- Equipment and Furniture—This covers nonexpendable supplies and goods (e.g., equipment and furnishings) that have a useful life of one year or more that are required for the activity. The purchase of such goods must meet the USAID source and origin requirements as set forth in the Mandatory Standard Provisions.
- Supplies—This covers expendable supplies (e.g., paper and stationery) that are necessary for the effective administration and management support of the activity.
- Local Travel and Transport—This line item covers staff and/or public hospital Grantee local travel costs,
- Other Direct Costs—This covers utilities, cleaning services

b) Ineligible Activities and Unallowable Costs

Under the ProVIC Grants Program, unallowable costs, direct or indirect, include, but are not limited to, the following examples:

- Any expenses related to entertainment, parties, celebrations, or “representation.”
- Any purchases or activities unnecessary to accomplish grant purposes as determined by the ProVIC Project.
- Any public hospital Grantee headquarters’ expenses that are not directly linked to implementation of the proposed project.
- Expenses of any training programs other than those integral to achievement of the targets specified in the proposed project.
- Taxes, including local withholding and employee taxes.

V. Reporting and Evaluation

a) Monthly Programmatic/Technical Reporting

As specified in the Program Description, the private hospital grantee must submit a monthly program narrative report to ProVIC, based on ProVIC indicators and reporting tools. This is a deliverable.

The programmatic section of the report should contain:

- Brief description of project activities undertaken during the reporting period for each intervention component;
- The degree to which the program activities are being accomplished and program objectives achieved (including reporting on progress on project indicators against targets in the achievement table);
- Major program implementation problems, such as failure to meet program objectives and targets, management and staffing problems, etc.; and proposed solutions to address these problems;
- Planned activities and updated workplan for the following month;

It is important that ProVIC Monitoring & Evaluation Specialist and grants manager be able to ascertain, and vouch for, the integrity of the data contained in each periodic program narrative report. This is because such ProVic must submit such data to USAID as part of its overall reporting.

b) Quarterly Financial Reporting

None. The private hospital grantee is **not** required to prepare a financial report during the direct support system period, although this will change during the FOG system. This is because ProVic directly procures and pays for goods, commodities and services. The

Provincial Grants Manager will prepare an advance reconciliation report in lieu of a financial report by the private hospital grantee. This should be forwarded to ProVIC Kinshasa.

c) Completion Final Report

There is no final report during the direct support system to private partners. This will change when the FOG system is developed.

VI. Standard Provision on Title to and Use of Grant Property

a) Inventory control

The public hospital Grantee must track inventory on a regular basis in compliance with the USAID standard provisions. At any point during the course of the project, the partner should be able to provide an inventory list on equipment and furniture purchased under the grant, if applicable.

Approval to sell any non-expendable property (for example due to damage) must be requested in advance from the PATH Agreement Officer.

ProVic has a duty to ensure that all program property is properly used and disposed of once the grant is complete. Once procured, the grantee is required to use and conserve the property for the purposes specified in the project award.

Within 45 days prior to the end of the period of performance, the grantee must provide ProVic with a list of all non-expendable property, its location and condition